

## **TERMS AND CONDITIONS FOR APPOINTMENT OF MR.A.S.SONI AS INDEPENDENT DIRECTOR**

### **1. Appointment**

- 1.1 Your appointment is for a period of five years effective from 11<sup>th</sup> August, 2014 as per provisions of the Companies Act, 2013. Appointment is subject to the maximum permissible Directorships that one can hold as per the provisions of the Companies Act, 2013 and the Listing Agreement.
- 1.2 In compliance with provisions of section 149(13) of the Companies Act, 2013, the directorship is not subject to retirement by rotation.
- 1.3 Tenure of Independent Director will serve for not more than two terms of five years each on the Board of the Company.

### **2. Committees**

As may be advised by Board, Independent Director, required to serve on one or more of the Board Committees or any such Committee that is set up or may be set up in the future. The appointment on such Committee(s) will be subject to the applicable regulations. Currently, the Board has four Committees: Audit Committee, Stakeholders' Relationship Committee, Remuneration and Nomination Committee and Corporate Social Responsibility Committee and Mr. A.S.Soni is a member of Remuneration and Nomination Committee of the Board.

### **3. Time Commitment**

- 3.1 Non-Executive Independent Director is expected to bring objectivity and independence of 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 meets at least four times in a year. The Audit Committee and Stakeholders' Relationship Committee also meets atleast four times in a year. Nomination and Remuneration Committee, and Corporate Social Responsibility Committee meetings which are ordinarily convened as and when required. Independent Director is expected to attend Board, Board Committees in which he is appointed and Shareholders meetings and to devote such time to duties, as appropriate to discharge duties effectively. Ordinarily, all meetings are held in Mumbai.

#### 4. Professional Conduct

The Code of Conduct of Independent Director is annexed to this letter and marked as ANNEXURE.

#### 5. Role and Duties

Role and duties will be those normally required of a Non-Executive 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 as under:

- I. To act in accordance with the Company's Articles of Association.
- II. To 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. To discharge duties with due and reasonable care, skill and diligence.
- IV. Not to involve in a situation having a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- V. Not to attempt to achieve any undue gain or advantage independently or through relatives, partners or associates.
- VI. Not to assign office of Director and any assignments so made to be void.
- VII. To seek appropriate clarification and where necessary, seek and follow appropriate professional advice from external experts at the expense of the Company.
- VIII. To strive to attend and constructively participate every meeting of Board and of Board Committees of which Independent Director is a member.
- IX. Will strive to attend the general meetings of the Company.
- X. To keep well informed about the Company and the external environment in which it operates and to ensure that any concerns that may have about running of the Company are addressed by the Board.
- XI. To ensure that all related party transactions are considered carefully before they are approved and are in the interest of the Company.
- XII. To ensure that the whistleblower function of the Company functions adequately
- XIII. To report any or all concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct and ethics.
- XIV. Not to disclose any confidential information unless such disclosure is expressly approved by Board or required by law.

XV. To keep governance and compliance with the applicable legislation and regulations under review and the conformity of Company's accepted norms.

In addition to the above requirements applicable to all Directors, the role of the Independent Director has the following key elements:

**Strategy:** Independent Director to constructively challenge and help develop proposals on strategy;

**Performance:** Independent Director to scrutinise the performance of management in meeting agreed goals and objectives;

**Risk:** Independent Director to satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are robust and defensible;

**People:** Independent Director is responsible for determining appropriate levels of remuneration of Executive Directors and Key Managerial Personnel and have a prime role in appointing, and where necessary, removing Executive Directors and in succession planning;

**Reporting:** Independent Director take responsibility for the processes for accurately reporting on performance and the financial position of the Company;

**Compliance:** Independent Director to keep governance and compliance with the applicable legislation and regulations under review and the conformity of Company's practices to accepted norms.

## 6. Status of Appointment

6.1 Independent Director is not an employee of the Company and therefore the terms shall not constitute a contract of employment. Independent Director 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 and approved by the Shareholders from time to time. Further, Independent Director will also be paid remuneration by way of commission as may be approved by the Board and the Shareholders

from time to time.

6.2 The sitting fees presently paid to the Non-Executive Independent Director is Rs. 20,000/- per meeting of the Board or a Committee thereof. The sitting fees may change from time to time as the Board may decide.

6.3 Independent Director will not be entitled to any bonus during the appointment and no entitlement to participate in any stock option scheme operated by the Company.

## **7. Reimbursement of Expenses**

In addition to the remuneration described in paragraph 6 the Company will, for the period of appointment, Independent Director will be reimbursed for travel, hotel and other incidental expenses as may be as may be incurred in the performance of role and duties.

## **8. Conflict of Interest**

8.1 Independent Director is required to declare any such directorships, appointments and interests in other companies to the Board in writing in the prescribed form at the time of appointment.

8.2 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 judgement on independency, this should be disclosed to both the Chairman and the Company Secretary.

## **9. Confidentiality**

All information acquired during appointment is confidential to the Company and should not be released, either during appointment or following termination (by whatever means) to third parties without prior clearance from the Chairman unless required by law or by the rules of any stock exchange or regulatory body.

Independent Director to follow the applicable regulations and the Company's Insider Trading Code which concern the disclosure of price sensitive information and dealing in the securities of the Company. Consequently Independent Director should avoid making any statements or performing any transactions that might risk a breach of

these requirements without prior clearance from the Chairman or the Company Secretary. Normally, trading window closes at the end of each quarter and opens after the quarterly results are disclosed to Stock Exchanges. Independent Director is advised not to transact Company's share during the above specified period and in line with Company's Insider Trading Code. In addition, Independent Director will comply with regulations contained in Code of Conduct for Board of Directors and Senior Management.

## **10. Induction Training**

Independent Director will be invited to training and familiarization sessions, including briefings from management.

## **11. Evaluation**

The Company has adopted a policy on Board Evaluation. The policy provides for evaluation of the Board, the Committees of the Board and individual Directors, including the Chairman of the Board. As per the Policy, the Company will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors on an annual basis. Independent Director appointment and re appointment on the Board shall subject to the outcome of the yearly evaluation process.

## **12. Insurance**

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

## **13. Independent Professional Advice**

There may be occasions when you consider that Independent Director need professional advice in furtherance of your duties as a Director and it will be appropriate for Independent Director to consult independent advisers at the Company's expense. The Company will reimburse the full cost of expenditure incurred in accordance with the Company's policy.

## **14. Disclosure of Interest**

Any material interest that a Director may have in any transaction or arrangement

that the Company has entered into should be disclosed no later than when the transaction or arrangement comes up at a Board meeting so that the minutes may record Independent Director interest appropriately and Company's records are updated.

#### **15. Termination**

- a. Independent Director may resign from your position at any time and in this content, Independent Director is requested to serve a reasonable written notice on the Board. In terms of provisions of the Companies Act, 2013, Independent Director is required to file a copy of your resignation letter with Registrar of Companies, Mumbai.

#### **16. Governing Law**

The terms of this letter of appointment is governed by and will be interpreted in accordance with Indian law and your engagement shall be subject to the jurisdiction of the Indian courts.

## ANNEXURE

### CODE OF CONDUCT FOR INDEPENDENT DIRECTORS

#### PROFESSIONAL CONDUCT

This Code is a guide to professional conduct for independent directors and fulfillment their responsibilities in a professional and faithful manner which will promote confidence of investment community, particularly minority shareholders and regulators.

As an Independent Director, you shall:

- a) Uphold ethical standards of integrity and probity
- b) To act objectively and constructively while exercising your duties
- c) Exercise responsibilities in a bonafide manner in the interest of the Company
- d) Devote sufficient time and attention to professional obligations for informed and balance decision making
- e) Not allow any extraneous considerations that may vitiate exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from collective judgment of Board in its decision making
- f) Not abuse position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage of any associated person.
- g) Refrain from any action that could lead to loss of Independent Director's independence.
- h) Ensure that if circumstances arise under which Independent Directors lose their independence; Independent Directors will inform Board immediately.
- i) Assist the Company in implementing the best Corporate Governance practices.