

The terms and conditions of appointment of Independent Directors

1. Appointment

We are pleased to inform you that your appointment as Independent Director is approved by the members of our Company at the Annual General Meeting held on for a period of five years from the date of your appointment i.e on till or your resignation/removal whichever is earlier.

The Company has adopted the provisions with respect to appointment and tenure of Independent Directors as are consistent with the Companies Act, 2013. The Company is at liberty to disengage an Independent Director earlier subject to compliance of the relevant provisions of the Companies Act, 2013

As an Independent Director you are not liable to retire by rotation.

Further, this tenure is subject to your meeting the criteria for being an Independent Director & timely renewal of your registration in the Independent Directors database maintained by the Institute of Corporate affairs of India and not being disqualified to be a Director under the applicable regulations & also subject to the maximum permissible Directorships that one can hold as per the provisions of the Companies Act, 2013.

2. Expectations of the Board and invitation to the Board's Committees

The Board expects that you shall, during the tenure of your appointment as an Independent Director on the Board, adhere to the "Guidelines of professional conduct" prescribed in CODE FOR INDEPENDENT DIRECTORS under SCHEDULE IV and to other applicable provisions of the Companies Act, 2013, as amended from time to time.

The Board may, if it deems fit, invite you for being appointed on one or more Board Committee of the Company. Your appointment on such Committee(s) will be subject to the applicable regulations.

3. Role, Duties, Liabilities & Responsibilities

You are expected to provide your expertise in the area of finance, in the functioning of the Board and the committees of the Board you may be nominated. In addition to routine board meetings you should allow time for committee meetings, preparatory work and travel, and ensure that you are in a position to make the necessary overall time commitment. Your role and duties will be those normally required of an Independent Director under the Companies Act, 2013 including those specified in CODE FOR INDEPENDENT DIRECTORS under SCHEDULE IV (ENCLOSED) thereof.

4. Training of the Board

Every new Independent director of the Board attends an orientation program. Presentations are made by executive directors / senior managerial personnel. The presentations cover an overview of our strategy and operations to familiarize the new inductees about the strategy, operations and functions of our Company.

5. Professional conduct

As an Independent Director, you shall:

- a. Uphold ethical standards of integrity and probity;
- b. Act objectively and constructively while exercising your duties;
- c. Exercise your responsibilities in a bona fide manner in the interest of the Company;
- d. Devote sufficient time and attention to your professional obligations for informed and balanced decision-making
- e. Not allow any extraneous considerations that may vitiate your exercise of objective independent judgement in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgement of the Board in its decision-making
- f. Not abuse your 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.
- g. Refrain from any action that could lead to a loss of your independence;
- h. Ensure that if circumstances arise under which you may lose your independence, you will immediately inform the Board accordingly;
- i. Assist the Company in implementing the best corporate governance practices.

6. Status of Appointment and Remuneration

You will not be an employee of the Company and this letter shall not constitute a contract of employment. You will be paid remuneration by way of sitting fees for attending meetings of the Board and its Committees as below:

Sitting fees for attending the Board Meeting – Rs. 20,000

Sitting fees for attending the Committee Meeting – Rs. 5,000

Any direct expenses incurred by you for attending any board/committee meeting shall be reimbursed by the Company which includes travel expenses, hotel expenses & other reasonable out of pocket expenses on submission of bills within one week of the meeting.

7. Information on meetings

Dates for Board meetings in the ensuing year are decided in advance. Most Board meetings are held at the Registered Office of the Company at Bangalore. The agenda and explanatory notes are sent to the Board in advance. The Board meets at least once a quarter to review the quarterly results and other items on the agenda and also on the occasion of the Annual General Meeting of the shareholders. Additional meetings are held, when necessary. Committees of the Board usually meet before the formal Board meeting, or whenever the need arises for transacting business. The recommendations of the Committees are placed before the Board for necessary approval.

8. Evaluation

Your performance evaluation shall be done by the Board annually, without your participation. You will participate in reviewing the performance of non-independent directors and the Board as a whole. Your appointment and reappointment on the Board shall be subject to the outcome of the yearly evaluation process.

9. Directors & Officers' liability Insurance

The Company has availed Directors' and Officers' liability insurance (D & O policy) to pay for the personal liability of directors and officers for claims made against them while serving on the Board and / or as an officer of the Company.

10. Memberships of other boards

It is expected that you will not serve on the boards of competing companies unless prior approval from the board of Directors of the Company is taken by you. Apart from the applicable law and good corporate governance practices, there are no other additional limitations.

11. Confidentiality

All information acquired during your appointment is confidential to the Company and should not be released, either during your appointment or following your separation with the Company (by whatever means) to third parties without prior clearance from the Company's Managing Director unless required by law or by the rules of any regulatory body.

12. Disclosures of other directorships, any interest and declaration of Independence

During the term, you agree to promptly notify the company (in the prescribed form) of any change in your directorship in other companies/LLP or body corporates, either by way of your inclusion or exclusion from the Board of Directors of such companies/LLP or body corporates etc, and provide such other disclosures and information as may be required under the applicable laws.

You are expected to continue to be qualified as 'independent' during your tenure and provide periodic declaration to the effect as required by regulations. You also agree that upon becoming aware of any potential conflict of interest with your position as Independent Director of the Company, you shall promptly disclose the same to the Company's Managing Director and the Company Secretary.

13. Independent Directors' discussion

Annually and when required, the Independent Directors may meet without the presence of Non-Independent Directors and members of the Management. At this meeting, the Independent Directors inter alia evaluate the performance of the Non-Independent Directors and the Board of Directors as a whole, evaluate the performance of the Chairman of the Board and discuss aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

14. Disengagement

You may resign as Director of the Company by giving 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 you in the notice, whichever is later.