

## **Terms and Conditions of Appointment as Independent Director under Companies Act, 2013**

As per the requirements of the Companies Act, 2013, the appointment shall be formalised through a letter of appointment by setting out the terms of the Appointment. The Appointment shall be a contract for service and not a contract of employment.

### **Appointment**

As per the Provisions of Sec. 149(10) and in accordance to the Resolution passed by the Members in the any Annual General Meeting, the appointment will continue for a consecutive period of five years. Unless re-appointed the Independent Director will cease to hold the office of Independent Director on expiry of the term of appointment.

The Independent Director will be eligible for re-appointment for another term upto 5 years, subject to fulfilling the criteria for being an Independent Director, not being disqualified to be a Director and keeping in view the retirement policy for non-executive directors. Re-appointment at the end of the term shall be further based on the recommendation of the Nomination Committee and subject to approval of the Board and the Shareholders.

Independent Directors shall not be subject to rotation as per the Provisions of Sec. 152(6) of the Companies Act, 2013. Further such appointment as an Independent Director is based inter-alia on declaration by the Director about his/her complying with the conditions of independence as under section 149(6) of the Companies Act, 2013 read with relevant rules of the Listing Agreement. In case of any change in circumstances effecting such independence, the Director is required to immediately notify the same to the Board under section 149(7) of the Act.

The appointment shall terminate automatically at the expiry of the term of appointment, or if the Independent Director vacate his/her office in terms of section 167 of the Act. Please note that there is no compensation, whatsoever, in case of vacation or termination of such office under any circumstances.

### **Role on the Board**

The Independent Directors are expected to provide their expertise and experience inter alia in the field of management, science, research and corporate governance, in the functioning of the Board and the committees of the Board where they may be nominated. In addition to routine Board meetings they should allow time for committee meetings, preparatory work and travel, and ensure that they are in a position to make the necessary overall time commitment.

The Independent Director(s) may be nominated on one or more committees of the Board and in such event they will be provided with the relevant Committee's terms of reference and any specific responsibilities. The Independent Director(s) may further be nominated to/ required to serve on any Sub-Committee of the Board and/or to accept additional appointments in or on behalf of the Company where the best practice requires the presence of an independent, non-executive Director.

### **Duties and Liabilities**

The duties and liabilities that come with such appointment would be as per the applicable laws and Articles of Association of the Company.

The laws that currently govern the duties and liabilities of an Independent Director are the Companies Act, 2013 (including Rules there under) and the Listing Agreement with the Stock Exchanges, some of which are specifically outlined below.

The Independent Director will follow "the Code for Independent Director" as per Schedule IV of the Companies Act, 2013," "Nagreeka Capital & Infrastructure Limited Code of Business Conduct."

It may please be noted that Regulation 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to Corporate Governance are applicable from 01/01/2016.

The Independent Director(s) are required to make disclosure of their interest as per the requirements of Section 184 of the Companies Act, 2013 and not participate in the meeting of the Board where any contract or arrangement in which they are interested is discussed.

In case the Independent Directors so desire, Company would provide support to help them to familiarize themselves with the relevant duties and obligations.

The Independent Director will be expected to perform their general fiduciary duties and exercise the skill and care expected of every Director. They do not have the authority to commit the Company in any way, nor should they make any statements on the Company's behalf or concerning the Company to the media, financial institutions or anyone associated to the stock market or investor community without the express authorization from the Board.

The Independent Director will be held liable, only in respect of such acts or omission or commission by a company which have occurred with their knowledge, attributable through Board process and with their consent or connivance or where they have not acted diligently.

### **Technology**

The Independent Director may give his/her consent by advance notification to the Chairman or Company Secretary to participate in any meeting(s) of the Board or committee of directors, when necessary through video conferencing or other audio visual means, except for matters not to be so dealt under the Companies Act, 2013. When necessary, they can also participate through telephone, electronic mail or any other technology which permits them to communicate with every other Director, though such participation would not be reckoned as attending the meeting under the Companies Act, 2013.

### **Independence**

The Board of Directors of the Company inter alia will give due consideration to the declaration of being qualifies as 'independent' in accordance with the provisions of Companies Act, 2013 and the Listing Agreement with the Stock Exchange. They are expected to continue to be qualified as 'independent' during their tenure and provide periodic declaration to the effect as required by regulations. They will be identified as an 'Independent Director' in the Annual Report and other documents and publications of the Company. If circumstances change and he/she believe it may not be possible for him/her to retain his/her independence they should discuss this with the Chairman as soon as practicable.

## **Code of Business Conduct**

The Independent Directors will follow the Nagreeka Capital & Infrastructure Limited Code of Business Conduct and furnish an annual affirmation of the same.

The Independent Director(s) 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 and any Group Companies with which they may come into contact by virtue of their position as a Director, except as permitted by law or with prior clearance from the Chairman or Company Secretary.

The list of actions that a Director should not do while functioning as such in the Company includes the following:

Any action that involves any violation of applicable law;  
Any application that involves any breach of the Company's Code of Business Conduct;  
Any action that involves the Directors' personal interest, except as disclosed by the applicable law, or unduly compromise, or conflict with the interest of the Company.

## **Prohibition on Insider Trading**

The Independent Director will follow the Nagreeka's Policy on Insider Information and the requirements under the Companies Act, 2013 and SEBI Regulations, which inter-alia requires that price-sensitive information is not used or transmitted and maintained securely. The Independent Directors should not make any statements that might risk a breach of these requirements without prior clearance from the Chairman or Company Secretary.

## **Fee**

The Independent Director(s) will be entitled to fee for attending the meeting of the Board or Committee thereof either personally or through Video Conference or other audio visual means or for any other purpose whatsoever as may be decided by the Board of Directors. The fees shall be subject to revision by the Board from time-to-time. The Director shall be entitled to be reimbursed of all reasonable expenses incurred by him/her for attending the Board, Committee or General Meeting of the Company or on account of performing any delegated duty on behalf of the Board/ Company. The Independent Director(s) shall not be eligible to receive any other benefit/ emoluments from the Company. The remuneration and fee payable shall be subject to applicable tax deduction at source.

## **General**

All the terms as mentioned above including his/her appointment, remuneration, professional conduct, role and functions, duties and evaluation shall be governed by the Companies Act, 2013 and Rules made there under and Corporate Governance requirements under the Listing Agreement, as amended from time to time.

The Independent Directors will be given full access to all information in or about the Company and its affairs which is available to the executive Directors.

The appointment as Independent Director shall be subject to acceptance by the appointed person, as such.

