



## **TERMS AND CONDITIONS OF APPOINTMENT OF THE INDEPENDENT DIRECTORS**

[Pursuant to the provisions of Schedule IV to the Companies Act, 2013 (“the Act”)]

The Board of Directors at their meeting held on 23 Jun 2014 appointed Mr. Gopalakrishna Muddusetty, Dr. Pamidi Kotaiah, Mr. Ashok Kumar Jha, Mr. M.B.N. Rao, Mr. Utpal Sen Gupta, Mr. Dilip Shripad Gokhale as Independent Directors and the members of the Company at their annual general meeting held on 24 Dec 2014 approved the appointment of Independent Directors. The broad terms and conditions of appointment of Independent Directors are reproduced hereunder:

### **1. TERM OF APPOINTMENT**

All the Independent Directors are appointed for a tenor of five years with effect from 23 Jun 2014. The Company may disengage Independent Directors prior to completion of the Term subject to compliance of relevant provisions of the 2013 Act.

As Independent Directors, they will not be liable to retire by rotation. Reappointment 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 reappointment would be considered by the Board based on the outcome of the performance evaluation process and the directors continuing to meet the independence criteria.

The directors may be requested to be a member / Chairman of any one or more Committees / Sub-Committees of the Board which may be constituted from time to time. Present positions of Independent Directors in Committees / Sub-Committees of the Board are as follows:

<b>Name of ID</b>	<b>Committee/Sub-Committee Name</b>	<b>Designation</b>
Mr. M. Gopalakrishna	Human Resource Sub Committee	Chairman
	Nomination & Remuneration Committee	Chairman
	CSR Committee	Member

<b>Name of ID</b>	<b>Committee/Sub-Committee Name</b>	<b>Designation</b>
Dr. Pamidi Kotaiah	Audit Committee	Chairman
	CSR Committee	Chairman
	Human Resource Sub-Committee	Member
	Information Technology Sub-Committee	Member
	Nomination & Remuneration Committee	Member
Mr. Ashok Kumar Jha	Audit Committee	Member
	Macro Economics and Corporate Advocacy Sub Committee	Chairman
	Nomination & Remuneration Committee	Member
Mr. M.B.N. Rao	Audit Committee	Member
	Nomination & Remuneration Committee	Member
	Information Technology Sub-Committee	Member
	Macro Economics and Corporate Advocacy Sub Committee	Member
Mr. Utpal Sengupta	Marketing & Branding Sub-Committee	Chairman
Mr. Dilip S Gokhale	Marketing & Branding Sub-Committee	Member
	Research and Development Sub-Committee	Member

## **2. DUTIES AND RESPONSIBILITIES**

The duties and responsibilities of the ID's are:

- a. To adhere with the duties prescribed under Section 166 and the Code of Independent directors prescribed under Section 149 (7) r/w Schedule IV of the Act.
- b. To be well informed about the Company and have an adequate understanding of the business environment in which the Company operates.
- c. To contribute to Board matters in a varied and informed manner and to act as a constructive critic in looking at the objectives and plans of the executive management.

- d. To monitor the performance of senior management with regard to ensuring that the determined strategies and objectives of the Company are achieved.
- e. To ensure that the Company's accounts present a true and fair picture of its business and financial performance including selection of the statutory and internal auditors, review of the annual audit plan, audit reports, the accuracy of internal controls and compliance with applicable legal requirements and other codes adopted by the Company.
- f. To review the remuneration package for the Executive and Non-Executive Directors.
- g. To recommend the appointment of new members on the Board.
- h. To ensure that decisions are taken in the best interests of the Company and all its stakeholders.
- i. To uphold the highest standards of integrity and probity in the interests of the Company.

### **3. TIME COMMITMENT**

By accepting this appointment, ID's confirmed they are able to allocate sufficient time to meet the expectations of their role. They should seek the agreement of the Chair before they accept any additional commitments that may affect the time allocated to their role as a non-executive independent director of the Company.

### **4. REMUNERATION**

IDs will be paid remuneration in the form of commission or any other form as may be determined by the Board from time to time as per the Company's remuneration policy and provisions of the Companies Act, 2013. IDs may also be paid sitting fee as may be determined from time to time for attending meetings of the board or its committees and reimbursed all travel and out of pocket expenses incurred as a result of their directorship or any special duties assigned by the Board or the Chairman of the Company.

### **5. INSURANCE**

The ID is entitled for coverage under Directors and Officers Liability Insurance as per the Company's rules.

## **6. CONFIDENTIALITY**

Any confidential information which may come to knowledge of ID in the performance of his duties as ID of the Company must not be divulged, except so far as:

- a. may be necessary in connection with the proper performance of his duties to the Company; or
- b. the Company may from time to time authorize and that he will take all reasonable precautions as may be necessary to maintain the secrecy and confidentiality of all confidential information of the Company; or
- c. he may be required by law to disclose.

## **7. VACATION OF OFFICE**

The office of ID becomes vacant in the following circumstances:

- a. On incurring any of the disqualifications specified under the Companies Act;
- b. On being absent from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board
- c. On cessation as a director under any provision of the Companies Act;
- d. On being become prohibited from being a director by reason of any order made under the Companies Act;
- e. On resignation of office by notice in writing to the Company;
- f. On removal from office by resolution of the Company;
- g. On not being re-elected to office; or
- h. any other circumstances as specified in the Company's Charter documents.

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