

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

The following are the terms and conditions of the appointment of the Independent Directors as given below in compliance with Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act"):

- The Independent Directors shall be governed by the Code for Independent Directors as laid down in Schedule IV to the Act read with section 149(8) of the Act;
- The Independent Directors shall also comply with the Company's Code of Conduct for Directors;
- The Company has various Sub-Committees of the Board viz., Audit Committee, Strategic Investment Committee, Loans & Investment Committee, Governance, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Research & Development Committee, Committee of Directors to consider Sale of Assets of the Company and Risk Management Committee. The Board of Directors may appoint the Independent Directors as Chairman/ Member of one or more of the Committees;
- The Independent Directors of the Company shall periodically hold exclusive Meetings without the attendance of non-Independent Directors and Members of the Management. They shall strive to be present at such Meetings;
- The Company has taken a Group level Directors & Officers Liability Policy and all Directors of the Company including Independent Directors are beneficiaries of the Policy;
- The Shareholders of the Company at the 69th Annual General Meeting held on 7th August, 2015, approved the payment of commission to the eligible Non-Executive Directors of upto a maximum of 1% of the net profits of the Company for each Financial Year, as computed in the manner laid down in section 198 of the Companies Act, 2013 or Rs.38 crores in the aggregate, whichever is lower; provided that none of such Directors, in any Financial Year individually receive a portion of such remuneration more than one quarter per cent of the net profits of the Company;

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- The remuneration of the Independent Directors shall be determined by the Board of Directors based on their performance evaluation done by the entire Board of Directors which will, inter alia, include their participation in the Board and Committee Meetings during the year, ability to challenge views of others in a constructive manner, knowledge acquired with regard to the Company's business, understanding of industry and global trends, etc.;
- The Independent Directors shall be entitled to sitting fees and also be eligible for to and fro first / business class air fare, accommodation, boarding, conveyance and other incidentals for attending the Board and Committee Meetings and for discharging their duties as Independent Directors of the Company;
- The Independent Directors are expected not to disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law;
- The resignation or removal of an Independent Director shall be in the same manner as provided in sections 168 and 169 of the Act;
- The appointment will not constitute a Contract of employment and the Independent Director shall not be an employee of the Company.