

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

### **Term of Appointment**

Your appointment will be for a term of five years with effect from December 26, 2014 to December 26, 2019 subject to the approval by the members at the next Annual General Meeting, unless extended, as per the provisions of this letter or applicable laws ("Term").

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

Re-appointment for another term of maximum period of five years at the end of the current term shall be based on the recommendation of the Nomination and Remuneration Committee of the Company and subject to the approval of the Board and the Shareholders by way of Special Resolution at the General Meeting. Your re-appointment would be considered by the Board based on the outcome of the performance evaluation process and you continuing to meet the independence criteria.

### **Board-level Committee/s in which the Director is expected to serve and its tasks**

As per the Board's current assessment, you will be the Chairman/Member of the following Board Committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee

The Board may reconstitute the composition of any / all Committees, from time to time, and any such change shall be promptly communicated to you. In such an event you may also be required to serve on the other Committees of the Board.

### **Role, duties and responsibilities**

As a Member of the Board you along with the other Directors will be collectively responsible for meeting the objectives of the Board which include:

- Requirements under the Companies Act, 2013;
- Responsibilities of the Board as outlined in the Corporate Governance requirements as prescribed by the Stock Exchanges under Clause 49 of the Listing Agreement;
- Accountability under the Director's Responsibility Statement;
- 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 interests of the Company, its employees, shareholders, the community and for the protection of the environment;

You shall abide by the 'Code for Independent Directors' as outlined in Schedule IV to Section 149(8) of the Companies Act, 2013, and duties of directors as provided in the Companies Act, 2013 (including Section 166) and in Clause 49 of the Listing Agreement.

The fiduciary duties that come with such an appointment along with accompanying liabilities.

### **The list of action that a director should not do while functioning as such in the company**

As a director of the Company, you shall not:

- Misuse the information in their possession for personal gains.
- Engage in any way (both directly or indirectly) with the competitors
- In any way indulge in activities which may be construed as conflict of interest.

- Break any law of the land or indulge or provoke the co-directors or employees to do the same.
- Enter into any contract or arrangements wherein he is directly or indirectly interested.

The above list is only indicative and not exhaustive.

### **Disclosures, other directorships and business interests**

During the term, you agree to promptly notify the Company of any change in your directorships, and provide such other disclosures and information as may be required under the applicable laws. 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 Chairman and the Company Secretary. Please confirm that as on date of this letter, you have no such conflict of interest issues with your existing directorships.

During your term, you agree to promptly provide a declaration under section 149(7) of the Companies Act, 2013, every year and upon any change in circumstances within 20 days which may affect your status as an Independent Director.

### **Time Commitment**

Considering the nature of the role of a director, it is difficult for a company to lay down specific parameters on time commitment. You agree to devote such time as is prudent and necessary for the proper performance of your role, duties and responsibilities as an Independent Director.

### **Remuneration**

As an Independent Director you shall be paid sitting fees for attending the meetings of the Board and the Committees of which you are a member as fixed by the Board from time to time.

Further, the Company may pay or reimburse to you such fair and reasonable expenditure, as may have been incurred by you while performing your role as an Independent Director of the Company. This could include reimbursement of expenditure incurred by you for attending Board / Committee Meetings, Annual General Meetings, Extraordinary General Meetings, Court Convened Meetings, Meetings with Shareholders/ Creditors/ Management, induction and training (organized by the Company for Directors) and in obtaining, subject to prior consultation with the Board, professional advice from Independent advisors in the furtherance of your duties as an Independent Director.

### **Provision for Directors and Officers (D & O ) insurance**

The Company has taken an appropriate Directors' and Officers' Liability Insurance Policy and pays the premiums for the same. It is intended to maintain such insurance cover for the term of your appointment, subject to the terms of such policy in force from time to time. A copy of the policy document will be supplied on request.

### **Code of Business Ethics of the Company**

As an Independent Director of the Company, you agree to comply with the Code of Conduct of the Company for Non-Executive Directors (NEDs). You are required to sign a confirmation of acceptance of the Code of Conduct for NEDs on annual basis.

## **Induction and Development**

The Company may, if required, conduct formal induction program for its Independent Directors which may include any or all of the following:

- Board roles and responsibilities, whilst seeking to build working relationship among the Board members;
- Company's vision, strategic direction, core values, ethics and corporate governance practices;
- Familiarization with financial matters, management team and business operations, Meetings with stakeholders, visits to business locations and meetings with senior and middle management.

The Company may, as may be required, support Directors to continually update their skills and knowledge and improve their familiarity with the Company and its business.

## **Performance Appraisal / Evaluation Process**

As a member of the Board, your performance as well as the performance of the entire Board and its Committees shall be evaluated annually. Evaluation of each director shall be done by all the other directors. The criteria for evaluation shall be determined by the Nomination and Remuneration Committee and disclosed in the Company's Annual Report. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board / Committee. An inductive list of factors that may be evaluated as part of this exercise is:

- Participation and contribution by a director;
- Commitment (including guidance provided to senior management outside of Board/ Committee meetings);
- Effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality, independence of behaviour and judgment; and
- Impact and influence.

## **Change in personal details**

During the term, you shall promptly intimate the Company Secretary and the Registrar of Companies in the prescribed manner, of any change in address or other contact and personal details provided to the Company.

## **Termination**

Your directorship on the Board of the Company shall terminate or cease in accordance with law. Apart from the grounds of termination as specified in the Act, your directorship may be terminated for violation of any provision of the UBEL Code of Conduct as applicable to Non-Executive Directors.

You may resign from the directorship of the Company by giving notice in writing to the Company stating the reasons for resignation and also to Registrar of Companies (ROC). 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.

If at any stage during the term, there is a change that may affect your status as an Independent Director as envisaged in Section 149 (6) of the Act or, if applicable, you fail to meet the criteria for "independence" under the provisions of Clause 49 of the Listing Agreement, you agree to promptly submit your resignation to the Company with effect from the date of such change.

## **Miscellaneous**

This letter represents the entire understanding, and constitutes the whole agreement, in relation to your appointment and supersedes any previous agreement between yourself and the Company with respect thereto and, without prejudice to the generality of the foregoing, excludes any warranty, condition or other undertaking implied at law or by custom.

No waiver or modification of this letter shall be valid unless made in writing and signed by you and the Company.

As per the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, this letter along with your detailed profile shall be disclosed on the website of the Company and the relevant stock exchange.

## **Acceptance of Appointment**

We are confident that the Board and the Company will benefit immensely from your rich experience and we are eager to have you as an integral part of the growth of our Company. If these terms of appointment are acceptable to you, please confirm your acceptance by signing and returning the enclosed copy of this letter.

The Company undertakes that the Key Managerial Personnel including the Company Secretary shall disclose fully and faithfully all development relating to financial, legal, company law matter, SEBI enquiries, income tax, service tax and other applicable laws which have or would potentially have direct or indirect, present or future impact on the financials of the Company, immediately on their occurrence as otherwise they would either individually or collectively will be classified as Officers in Default.

We thank you for your continued support and commitment to the Company.