

## **Shriram Properties Private Limited**

### **Terms of appointment of Independent Director**

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#### **1. Terms of office:**

1.1 The term of Independent Director (ID) is maximum for a period of five consecutive years, the board may appoint for a lesser term subject to the provisions of the Companies Act, 2013 and the articles of association of the Company (AoA), as amended, from time to time, particularly regarding appointment, fees, expenses, retirement, disqualification and removal of directors;

1.2 The ID shall not exceed the maximum permissible directorships that one can hold as per the provisions of the Companies Act, 2013 and the Listing Regulations

1.3 ID can serve for not more than two consecutive terms on the Board of the Company and before the second term commences, the Company will have to seek approval of the shareholders by way of a Special Resolution, on the expiry of the first term

1.4 This directorship is not subject to retirement by rotation during the term, as per the relevant provisions of the Act 2013;

1.5 In case, ID resigns from directorship in the Company for any reason or pursuant to any of the provisions of the Act 2013 or any of the applicable Law or the Articles of Association of the Company or ID may be required to vacate the office of directorship, it can be done at any time by ID giving a letter of resignation. While forwarding the intention to resign or not to seek re-appointment, it will be preferable to give the Chairman reasonable time so that the Company can plan suitable succession to the Board;

1.6 The performance of an ID will be reviewed during the tenure with the Company, in accordance with the processes agreed by the board, from time to time.

#### **2. Commitments:**

The commitments that are expected from ID in relation to the functions are as follows:

2.1 ID will be expected to devote such time as is necessary for the proper performance of the duties and involve in a number of board and committee meetings each year;

2.2 ID should strive to attend all the scheduled Meetings of the Board of Directors or any Committees thereof and General Meetings of the shareholders of the Company and such other meetings;

2.3 ID should strive to hold and present in at least one meeting in a year without the presence of non-independent directors and members of management with the sole objective of:

- a. reviewing the performance of non-independent directors and the Board as a whole;
- b. reviewing the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors; and
- c. assessing the quality, quantity and timeliness of flow of information between the Company, management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

### **3. Code of conduct, functions and duties:**

3.1 As a director of the Company, ID will have all legal duties and obligations under the Act 2013 and the Listing Regulations, including attendance at Board Meetings, Annual General Meetings, meetings of IDs and such other additional duties, as may be agreed to, from time to time;

3.2 As a director of the Company, ID have to familiarize with the relevant directors' duties, roles and responsibilities as set out in the Code for Independent Directors under Schedule IV of Act, 2013.

3.3 ID will be required to serve on such committees, as the board may request including but not limited to Audit and/or Nomination and Remuneration and/or Stakeholders Relationship and/or Corporate Social Responsibility Committee and/or such other sub-committees of directors;

3.4 The Board will constitute, assign and fix terms of service for committee members. The frequency of the meetings of the Committees and the quorum for such meetings will be governed by the applicable provisions of the Companies Act, 2013 and Listing Regulations. Recommendations of the committees are to be submitted to the Board for approval.

### **4. Liability:**

ID will have a liability in respect of such acts of omission or commission by the Company, which had occurred with their knowledge, attributable through board processes, and with the consent or connivance or where he/she had not acted diligently.

### **5. Technology:**

5.1 ID may attend the board or committee meetings through video conferencing or other audio visual means, subject to the applicable provisions of the Companies Act 2013;

5.2 ID may make use of video, telephone, electronic mail, any other technology which permits each director to communicate with every other director, or any combination of these technologies for the purpose of call and holding directors' meetings.

## **6. Conflict of interest:**

By accepting the appointment, ID is deemed to have confirmed that, any other position ID hold including the directorships in other organizations, will not give rise to any 'conflicts of interest' in relation to the appointment as an ID of the Company.

Should ID become aware of any conflict or potential conflict during the period of appointment, they are expected to notify the same to the board.

## **7. Disclosures:**

7.1 ID will have to submit certain information in the prescribed forms on a defined format periodically to the board;

7.2 ID will be required to disclose to the Company the interests and any matters (excluding those matters, which may be subject to legal professional privilege), which affect the independence; and

7.3 ID will be required to give a declaration that they meet the criteria of independence every financial year, as provided under Section 149 of the Act 2013 in the prescribed format.

## **8. Directors' fees / remuneration:**

8.1 A sitting fee will be paid for attending each meeting of the board as well as the committee meeting attended by ID, as per the provisions of Section 197 of the Companies Act 2013 and the AoA, as fixed by the board from time to time;

8.2 ID will be entitled to claim reimbursement of all the travelling, hotel and other incidental expenses incurred in performance of the duties, as per the provisions of the Companies Act 2013;

8.3 IDs are not entitled to any 'stock option' and will not be covered by any pension scheme;

## **9. Review:**

The performance of individual directors, the whole board and its committees will be evaluated annually by the Board.

## **10. Codes:**

ID will be required to abide by Code of Business Conduct and Ethics and Code of Conduct for prevention of Insider Trading for senior management personnel, including directors, besides Code for independent directors, as issued by the Company.

## **11. External Advice:**

After consultation with the Chairman if that is practicable (and, if appropriate, jointly with any other Non-Executive Directors whose interests are the same as yours), ID will be entitled to seek external independent advice at the Company's expense, in order to enable you to carry out the duties of your office, if found necessary.

## **12. Indemnity and Insurance:**

12.1 The Company will maintain appropriate directors' and officers' (D&O) liability insurance for the benefit of ID during and after the term in each case in respect of any matter occurring or alleged to have occurred while ID are or were a director of the Company;

12.2 Furthermore, the Company will use its best endeavours to retain any renewed 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;

## **13. Confidentiality and access to records:**

13.1 Directors have a right of access to Company's documents and records, including financial records, as per the provisions of the Companies Act, 2013; and

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

- (i) it may be necessary in connection with the proper performance of your duties to the Company;
- (ii) the Company may, from time to time, authorise you to disclose such information, as may be required by ID with the condition that they will take all reasonable precautions, as may be necessary to maintain the secrecy and confidentiality of all confidential information of the Company;
- (iii) ID may be required by law to disclose.

## **14. Applicable laws:**

The letter of appointment shall be governed by the laws of India.