

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

The broad terms and conditions of appointment of Independent Directors are as under:

### **1. APPOINTMENT**

The appointment of the **Independent Directors** on the Board of Directors (Board) of **VINADITYA TRADING COMPANY LIMITED** will be for an initial term up to Five years and shall take effect from \_\_\_\_\_ unless terminated earlier or extended, as per the provisions of this letter or applicable laws. The word "term" should be construed as defined under the Act and the Listing Agreement.

Independent Directors will not be liable to retire by rotation.

Re-appointment 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 Members. The re-appointment would be considered based on the outcome of the performance evaluation process and the Independent Director continuing to meet the independence criteria.

### **2. ROLE, DUTIES AND RESPONSIBILITIES**

**A.** As Members of the Board, they along with the other Directors, will be collectively responsible for meeting the objectives of the Board which inter alia, include:

Requirements under the Companies Act, 2013, as amended or re-stated for the time being in force.

Responsibilities of the Board as outlined in the Corporate Governance requirements as prescribed by Stock Exchanges under Clause 49 of the Listing Agreement as amended from time to time

Accountability under the Director's Responsibility Statement.

**B.** They 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 2013 Act (including but not limited to Section 166) and in Clause 49 of the Listing Agreement.

**C.** They will be particularly requested to provide guidance in their area of expertise.

### **3. 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. They agree to devote such time as is prudent and

necessary for the proper performance of their roles, duties and responsibilities as Independent Directors.

#### **4. FEES/REMUNERATION**

As Independent Directors they shall be paid sitting fees for attending the meetings of the Board and the Committees, as may be applicable, of which they are members. The sitting fees for attending each meeting of the Board and its Committees would be as determined by the Board from time to time.

In addition to the sitting fees, commission that may be determined by the Board may also be payable to Independent Directors. In determining the amount of this commission, the Board, supported by the Nomination and Remuneration Committee, may consider the performance of the Company and their performance as evaluated by the Board.

Further, the Company may pay or reimburse to the Director such expenditure, as may have been incurred while performing their role as an Independent Director of the Company. This could include reimbursement of expenditure incurred for accommodation, travel and any out of pocket expenses for attending Board/ Committee meetings, General Meetings, court convened meetings, meetings with Members/ creditors/ management, site visits, induction and training (organized by the Company for Directors) and in obtaining, subject to the expense being reasonable, professional advice from independent advisors in the furtherance of the duties as an Independent Director.

#### **5. CODE OF CONDUCT**

The Independent Director of the Company, shall agree to comply with the Vinaditya Code of Conduct for Non-Executive Directors (NEDs). Unless specifically authorised by the Company, they shall not disclose Company and its Business information to constituencies such as the media, the financial community, employees, Members, agents, franchisees, dealers, distributors and importers. Their obligation of confidentiality shall survive cessation of their directorship with the Company.

The provisions of both, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and the Vinaditya Code of Conduct on Prevention of Insider Trading, prohibiting disclosure or use of unpublished price sensitive information would be applicable to the Independent Directors.

Additionally, Independent Directors shall not participate in any business activity which might impede the application of their independent judgment in the best interest of the Company.

All Directors would be required to sign on an annual basis, a confirmation of acceptance of the Vinaditya Code of Conduct for NEDs as adopted by the Board.

## **6. TRAINING AND DEVELOPMENT**

The Company shall, if required, conduct formal induction program for its Independent Directors. The Company shall, as may be required, support Directors to continually update their skills and knowledge and improve their familiarity with the Company and its business. The Company will fund/arrange for training on all matters which are common to the whole Board.

## **7. PERFORMANCE APPRAISAL / EVALUATION PROCESS**

As a member of the Board, their performance as well as the performance of the entire Board and its Committees will be evaluated annually. Evaluation of each director shall be done by all the other directors. The criteria for evaluation shall be 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.

## **8. DISCLOSURES, OTHER DIRECTORSHIPS AND BUSINESS INTERESTS**

During the Term, they agree to promptly notify the Company of any change in their directorships, Memberships and provide such other disclosures and information as may be required under the applicable laws. They also agree that upon becoming aware of any potential conflict of interest with their position as Independent Director of the Company, they shall promptly disclose the same to the Company.

During their Term, they agree to promptly provide a declaration under Section 149(7) of the 2013 Act, upon any change in circumstances which may affect their status as an Independent Director.

## **9 CHANGES OF PERSONAL DETAILS**

During the Term, they shall promptly intimate the Company and the Ministry of Corporate Affairs in the prescribed manner, of any change in address or other contact and personal details provided to the Company.

## **10. DISENGAGEMENT**

They may resign from the directorship of the Company by giving a notice in writing to the Company stating the reasons for resignation. The resignation shall take effect from the date on which the notice is received by the Company or the date, if any, specified in the notice, whichever is later. Their directorship on the Board of the Company shall cease in accordance with law. The Company may disengage Independent Directors prior to completion of Term (subject to compliance of relevant provisions of the 2013 Act) upon Violation of any provision of the Vinaditya Code of Conduct as applicable to Non-Executive Directors or upon the director failing to meet the criteria for independence as envisaged in Section 149(6) of the 2013 Act or Clause 49 of the Listing Agreement.

## **11. GENERAL**

All the terms as mentioned shall be governed by the Companies Act, 2013 and Rules made thereunder and Corporate Governance requirements under the listing Agreement, as amended from time to time.