

**Terms and conditions of appointment of Independent Directors of the Company in accordance with the requirements of Schedule IV to the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as and when applicable:**

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**1. Appointment:**

In accordance with the provisions of the Companies Act, 2013 and other applicable laws, you will serve as a Non - Executive Independent Director of the Board upto 3 years from the date of your appointment unless terminated earlier or extended as per the provisions of Companies Act, 2013.

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

**2. Committees:**

During the Appointment, you may be nominated by the Board on one or more of the committees of the Board which include but not limited to the Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee, Stakeholders' Relationship Committee or such other Committees, as the Board may decide.

**3. Role and Duties:**

- a. 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,
  - Requirements under Regulation 25 of SEBI (LODR) Regulations, 2015 as and when applicable,
  - Accountability under the Director's Responsibility Statement,
  - Overseeing the maintenance of high standards of RKS values and ethical conduct of business,
  - Overseeing the Company's contribution to enhancing the quality of life of communities,
  - Protecting and enhancing the RKS and Hansa Brand.
- b. You shall abide by the "Code For Independent Directors" as outlined in Schedule IV to Section 149 (8) of the 2013 Act, and duties of directors as provided in the 2013 Act (including Section 166) and in Regulation 17(5) of SEBI (LODR) Regulations, 2015 as and when applicable. [For your ready reference, the relevant provisions have been extracted and attached to this letter as Annexures.]
- c. You will also be responsible for providing guidance in the area of your expertise.

**4. Remuneration:**

As Independent Directors you shall be paid sitting fees for attending the meetings of the Board and the Committees, within the limits prescribed under the Companies Act, 2013, of which you are a member.

The remuneration / sitting fees would be as determined by the Nomination & Remuneration Committee / 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, General Meetings, court convened meetings, meetings with creditors / management, site visits, 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.

**5. Insurance:**

The Company will take an appropriate Directors' and Officers' Liability Insurance policy and the premiums for the same will be paid by the Company. It is intended to maintain such insurance cover for the Term of your appointment.

**6. Confidentiality:**

Unless specifically authorized by the Company, you shall not disclose company and business information to public constituencies such as the media, the financial community, employees, shareholders, agents and vendors.

**7. Training & Development:**

The Company shall, if required, continue to conduct formal training and development program for its Independent Directors which may include any or all of the following:-

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

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.

**8. Disclosure, other directorships and business interests:**

You agree to promptly notify the Company of any change in your directorships during the Term, 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 inform us if you have any such conflict of interest with your existing directorships as on date of this letter.

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

**9. Change in Personal Details:**

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

**10. Termination:**

Your directorship on the Board of the Company shall terminate or cease in accordance with law.

You may also 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 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 2013 Act or, if applicable, you fail to meet the criteria for “independence” under the Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015 as and when applicable, you agree to promptly submit your resignation to the Company with effect from the date of such change.

**11. 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.

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

Yours faithfully,  
**For R K Swamy Private Limited**

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**Authorised Signatory**

**AGREE & ACCEPT**

**I have read and understood the terms of my appointment as an Independent Director of the Company and I hereby affirm my acceptance to the same.**

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**Name:-**

**Place:-**

**Date:-**

**Annexure A:** Code for Independent Directors

**Annexure B:** Duties of Directors

**Annexure A  
Code for Independent Directors**

**SCHEDULE IV  
[See Section 149(8)]**

**CODE FOR INDEPENDENT DIRECTORS**

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and Companies in the institution of independent directors.

**I. Guidelines of professional conduct:**

An independent director shall:

- 1) uphold ethical standards of integrity and probity;
- 2) act objectively and constructively while exercising his/her duties;
- 3) exercise his/ her responsibilities in a bonafide manner in the interest of the Company;
- 4) devote sufficient time and attention to his/her professional obligations for informed and balanced decision making;
- 5) not allow any extraneous considerations that will vitiate his/ her exercise of objective independent judgement in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgement of the Board in its decision making.
- 6) not abuse his/ her position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- 7) refrain from any action that would lead to loss of his/her independence;
- 8) where circumstances arise which make an independent director lose his/ her independence, the independent director must immediately inform the Board accordingly;
- 9) assist the company in implementing the best corporate governance practices

**II. Role and functions:**

The independent directors shall:

- 1) help in bringing an independent judgement to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- 2) bring an objective view in the evaluation of performance of board and management;
- 3) scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- 4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- 5) safeguard the interests of all stakeholders, particularly the minority shareholders;
- 6) balance the conflicting interest of the stakeholders;
- 7) determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in

- appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- 8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

### **III. Duties**

The independent directors shall:

- 1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
- 2) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company;
- 3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- 4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- 5) strive to attend the general meetings of the Company;
- 6) where they have concerns about the running of the Company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board Meeting;
- 7) keep themselves well informed about the Company and the external environment in which it operates
- 8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- 9) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company;
- 10) ascertain and ensure that the Company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- 11) report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy;
- 12) acting within his/ her authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
- 13) Not 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.

### **IV. Manner of appointment:**

- 1) Appointment process of independent directors shall be independent of the company management, while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively
- 2) The appointment of independent director(s) of the Company shall be approved at the meeting of the shareholders
- 3) The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement showing that in the opinion of the Board, the independent Director proposed to be appointed fulfils

the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management

- 4) The appointment of independent directors shall be formalized through a letter of appointment, which shall set out:
  - a) The term of appointment
  - b) the expectation of the Board from the appointed director, the Board-level committee(s) in which the director is expected to serve and its tasks;
  - c) the fiduciary duties that come with such an appointment along with accompanying liabilities;
  - d) provision for Directors and Officers (D and O) insurance, if any;
  - e) the Code of Business Ethics that the Company expects its directors and employees to follow;
  - f) the list of actions that a director should not do while functioning as such in the Company;
  - g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any
- 5) The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the Company by any member during normal business hours
- 6) The terms and conditions of appointment of independent directors shall also be posted on the company's website

#### **V. Re-appointment:**

The re-appointment of independent director shall be on the basis of report of performance evaluation.

#### **VI. Resignation or removal:**

- 1) The resignation or removal of an independent director shall be in the same manner as is provided in sections 168 and 169 of the Act
- 2) An independent director who resigns or is removed from the Board of the Company shall be replaced by a new independent director within a period of not more than one hundred and eighty days from the date of such resignation or removal, as the case may be
- 3) Where the Company fulfils the requirement of independent directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

#### **VII. Separate meetings:**

- 1) The independent directors of the Company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management;
- 2) All the independent directors of the Company shall strive to be present at such meeting;
- 3) The meeting shall:
  - (a) Review the performance of non-independent directors and the Board as a whole;
  - (b) Review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors;

- (c) Assess 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

**VIII. Evaluation Mechanism:**

- 1) The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated
- 2) On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director

**Annexure B-**  
**Section 166 of the Companies Act, 2013: Duties of Directors**

1. Subject to the provisions of this Act, a director of a Company shall set in accordance with the articles of the Company;
2. A director of a Company shall 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, the shareholders, the community and for the protection of environment.
3. A director of a Company shall exercise his/ her duties with due and reasonable care, skill and diligence and shall exercise independent judgement
4. A director of a Company shall not involve in a situation in which he/she may have a director or indirect interest that conflicts, or possibly may conflict with the interest of the Company
5. A director of a Company shall not achieve or attempt to achieve any undue gain or advantage either to himself/herself or his/ her relatives, partners or associates and if such director is found guilty of making any undue gain, he/she shall be liable to pay an amount equal to that gain to the Company
6. A director of a Company shall not assign his/her office and any assignment so made shall be void.
7. If a director of the Company contravenes the provision of this section such director shall be punishable with fine which shall not be less than one lakh rupees but which may extend to five lakh rupees.