

Dhoot Industrial Finance Limited



INDEPENDENT DIRECTORS

Terms & Conditions of Appointment

Dhoot Industrial Finance Limited

Terms & Conditions of appointment of Independent Directors of the Company

The terms and conditions for the appointment of the Independent Directors are as follows:

1. Appointment:

- i. The appointment as an Independent Director (ID) is for a period of Five (5) consecutive years upto 31st March, 2019.
- ii. The appointment is subject to the articles of association, applicable provisions of the law and the terms contained therein.
- iii. The ID will serve on one or more Committees of the Board as may be decided by the Board from time to time.

2. Duties:

- i. The ID will observe the highest standards of ethics in the role as ID.
- ii. The ID will observe, in letter and spirit, the duties of directors as stipulated in relevant sections of the Companies Act, 2013 ('Act') and the relevant Rules prescribed thereunder, in particular, as stipulated in section 166 of the Act.
- iii. The ID will also likewise observe the Code for Independent Directors which is codified as Schedule IV of the Act.
- iv. The ID will strive to avoid the occurrence of any events specified under section 167 of the Act, which would result in vacation of office as Director. The ID will also strive to avoid incurring any of the disqualifications mentioned in section 164 of the Act. In the unfortunate event of such events / disqualifications getting attracted, the ID will immediately inform the Company of the same.
- v. The ID will promote the success of the Company for the benefit of its members as a whole.
- vi. The ID will be required to exercise powers and discharge responsibilities as a director in accordance with the applicable law, the Company's Articles of Association and the applicable policies and procedures of the Company.

3. Remuneration

- i. The ID would receive a fee ('Sitting Fee') for attending meetings of the Board or Committees thereof. The quantum of Sitting Fee shall be such as is determined by the Board from time to time.
- ii. The ID will be entitled to reimbursement of all expenses properly incurred for participating in the meetings of the Board, its Committees and other meetings.

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- iii. In addition to the above, the Board may in its sole and uncontrolled discretion and subject to and within the framework of applicable law, agree to remunerate the ID for any services provided by the ID to the Company.
- iv. All payments for services rendered are subject to income tax and other statutory deductions and requirements.

4. Independence and Interests

- i. In the event that the ID becomes aware of any potential or actual conflicts of interest, these should be disclosed as soon as they become apparent and the agreement of the Board may have to be sought.
- ii. The ID would continue to maintain the qualifications stipulated under the Act and the Listing Agreement with the Stock Exchanges for being eligible to continue as Independent Director during the term of office.

5. Confidentiality

- i. All information acquired by the ID during his / her appointment is confidential to the company and should not be released, communicated, nor disclosed either during the appointment or thereafter, to third parties without the prior clearance of the Chairman of the Company.
- ii. This restriction shall cease to apply to any confidential information which may (other than by reason of breach) become available to the public generally.
- iii. The ID shall receive, hold and retain company information under secure conditions and to take appropriate steps to maintain strict confidentiality thereof.

6. Price Sensitive Information and Dealing in the Company's Shares

During the period of appointment, the ID is required to comply with obligations under the SEBI (Prohibition of Insider Trading) Regulations, 1992 and Dhoot Industrial Finance Limited's Prevention of Insider Trading Regulations as amended from time to time.

7. Premature conclusion of term of appointment

The ID's term of appointment may be prematurely concluded by mutual consent or if the ID commits a material breach of his/her obligations to the Company or is guilty of fraud or dishonesty or acted in a manner which brings or is likely to bring the ID or the Company into disrepute or is materially adverse to the interests of the Company. In addition to what is stated above, continuation of the contract of appointment of an ID is also contingent on the satisfactory performance as ID and is subject to applicable law.

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8. Extension of Existing Term

Upon the expiry of the present term, and subject to the ID's eligibility under the relevant provisions of the Act, Rules, Listing Agreement and other applicable law(s), as prevailing from time to time, the Board may, at its discretion and subject to the outcome of performance evaluation, recommend to the shareholders an extension or renewal of the ID's existing term for such period as it may deem fit and proper, in the interest of the Company.
