

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

Dear Sir / Madam,

We are pleased to inform you that the shareholders of the company at the [Insert] Annual General Meeting held on [Insert] have passed a resolution for your appointment as an independent director of the company pursuant to the provision stated under the Companies Act, 2013 (“Act”).

As per the requirements of the Act, the above is being formalized through this letter of appointment.

This letter sets out the terms of your appointment as an independent director. Your relationship with the company will be that of an office-holder and not one of contract for employment in the company.

The terms of your appointment, as set out in this letter, are subject to the extant provisions of the applicable laws, including the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Regulations”).

### **A. Preliminary**

Your appointment is subject to the following:

- During your tenure as an independent director, you will have to submit a declaration at the beginning of every financial year under Section 149 (7) of the Act stating that you meet the criteria of Independence.
- So long as you are an independent director of the Company, the number of companies in which you hold office as a Director or a chairman or committee member will not exceed the limit stipulated under the Act and the Regulations.
- So long as you are an independent director of the company, you will ensure that you do not get disqualified to act as a director pursuant to the provisions of Section 164 of the Act.
- You will ensure compliance with other provisions of the Act and the Regulations as applicable to you as an independent director

### **B. Term**

Your appointment as a non-executive independent director on the board of the company will be for a period of \_\_ years. Your appointment is also subject to the maximum permissible directorships that one can hold as per the provisions of the Act and the Regulations. The company is at liberty to disengage non-executive independent director subject to compliance of relevant provisions of Act and the Regulations.

### **C. Committees of the Board**

You may appoint / nominate by the board in its committees as may be required from time to time.

### **D. Performance appraisal / Evaluation process**

Your performance, as a member of the board, shall be evaluated annually. Evaluation may be done by all the other directors. The criteria for evaluation shall be determined by the Nomination and Remuneration Committee. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the board / committee.

### **E. Fee / Remuneration**

You will be paid such remuneration by way of sitting fees for attending the meetings of the board and the committees as may be decided by the board from time to time, subject to approval of the shareholders, if required.

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.

In addition to the sitting fees, commission that may be determined by the board payable at the end of each financial year will be based on the performance of the company and your performance evaluated by the board of directors.

### **F. Code of Conduct**

During your tenure, you are required to comply with the code for independent directors in pursuance to the provisions of Section 149(8) of the Act and more specifically provided in Schedule IV of the Act as amended from time to time.

Further you are also required to comply with the code of conduct for the directors and senior management of the company as amended from time to time.

### **G. Role, Duties and Responsibilities**

Apart from attending board and committee meetings, your role and duties will be those normally required of a non-executive independent director under the Act and the Regulations. There are certain duties prescribed for all directors, both executive and non-executive, which are fiduciary in nature and the same are specified under Section 166 of the Act especially under Schedule IV of the Act.

### **H. Conflict of Interest**

It is accepted and acknowledged that you may have business interests other than those of the company. As a condition to your appointment, you are

required to declare any such directorships, appointments and interests to the board in writing in the prescribed form at the time of your appointment.

In the event that your circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead the board to revise its judgment that you are independent, this should be disclosed to both the Chairman and the Company Secretary..

### **I. Confidentiality**

You must apply the highest standards of confidentiality and not disclose to any person or company (whether during the course of the appointment or two years after your termination), any confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unless such disclosure is expressly approved by the board or required by law concerning the company and any subsidiary / associate / joint venture companies with which you come into contact by virtue of your position as a non-executive independent director.

### **J. Induction 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.

### **K. Changes of Personal Details**

During the Term, you shall promptly intimate the company and the registrar of companies / MCA in the prescribed manner, of any change in address or other contact and personal details provided to the company.

### **L. Termination / Resignation**

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 code of conduct of the company.

You 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 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 the Regulation, you agree to promptly submit your resignation to the company with effect from the date of such change.

**M. Cooperation**

In the event of any claim or litigation against the company, based upon any alleged conduct, act or omission on your part during your Term, you agree to render all reasonable assistance and cooperation to the company and provide such information and documents as are necessary and reasonably requested by the company or its counsel.

**N. Acceptance of Appointment**

By accepting this appointment, you confirm that you are able to allocate sufficient time to meet the expectations from your role to the satisfaction of the board. 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.

Regards,

**For Retina Paints Limited**

**Sd/-**

**Company Secretary**

**AGREED AND ACCEPTED**

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.

Name :

Place :

Date :