



TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

[Pursuant to Section 149(6) of the Companies Act, 2013 ("2013 Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. APPOINTMENT

The term of appointment of an Independent Director (ID) of the Company is for a period of 5 consecutive years from the date of his/ her appointment. Independent Director is not liable to retire by rotation.

Appointment of every independent director shall be approved by members' of the Company.

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. ROLES, DUTIES AND RESPONSIBILITIES

A. As member of the Board the Independent directors along with the other Directors will be collectively responsible for meeting the objectives of the Board which include:

- Requirements under the Companies Act, 2013,
- Responsibilities of the Board as outlined in the Corporate Governance requirements as prescribed by Stock Exchanges under Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as and when applicable
- Accountability under' the Directors' Responsibility Statement
- Overseeing the Company's contribution to enhancing the quality of life of communities

B. The Independent Directors 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 other applicable laws from time to time.

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. The Independent Directors agree to devote such time as is prudent and necessary for the proper performance of their role, duties and responsibilities as an Independent Director.

4. REMUNERATION

As an Independent Directors they shall be paid sitting fees for attending the meetings of the Board and the Committees of which they are a member as fixed by the Board from time to time.

In addition to the sitting fees, profit related commission may also be payable to Independent Directors. In determining the amount of this commission, the Board or its Committee may consider various factors as disclosed in the remuneration policy forming part of the Board's report.

Further, the Company may pay or reimburse to the Independent Directors such fair and reasonable expenditure, as may have been incurred by them while performing their role as an Independent Director of the Company. This could





include reimbursement of expenditure incurred by them for attending Board/ Committee meetings, Annual General Meetings, Extraordinary General Meetings, court convened meetings, meetings with shareholders/ 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 their duties as an Independent Director.

5. INSURANCE

The Company may take an appropriate Directors' and Officers' Liability Insurance policy, if required under the applicable laws and pay the premiums for the same. It is intended to maintain such insurance cover for the Term of their appointment, subject to the terms of such policy in force from time to time. A copy of the policy document will be supplied on request.

6. COMPANY'S CODE OF CONDUCT

The Independent Director of the Company, shall agree to comply with the POEL Code of Conduct for Non-Executive Directors (NEDs). The Code of Conduct for Non-Executive Directors are outlined below:

- Non-Executive Directors of a Company will always act in the interest of the Company and ensure that any other business or personal association which they may have, does not involve any conflict of interest with the operations of the Company and his/ her role therein.
- Non-Executive Directors will comply with all applicable laws and regulations of all the relevant regulatory and other authorities as may be applicable to such Directors in their individual capacities,
- Non-Executive Directors will safeguard the confidentiality of all information received by them by virtue of their position.

Unless specifically authorised by the Company, the Independent Directors shall not disclose company and business information to public constituencies such as the media, the financial community, employees, shareholders, agents, franchisees, dealers, distributors and importers.

Their obligation of confidentiality shall survive termination or cessation of their directorship with the Company.

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.

Independent Directors required to sign a 'confirmation of acceptance of POEL Code of Conduct for NEDs on annual basis.

7. INDUCTION AND DEVELOPMENT

The Company shall, if required, conduct formal induction program for its Independent Directors which may include any or all of the following:

- Board roles and responsibilities, whilst seeking to build working relationship among the Board members,
- Company's vision, strategic direction, core values, ethics and corporate governance practices,
- Familiarization with financial matters, management team and business operations, 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. PERFORMANCE APPRAISAL/ EVALUATION PROCESS

As a member of the Board, the Independent Directors performance as well as the performance of the entire Board and its Committees shall be evaluated annually. Evaluation of each director shall be done by all the other directors. The criteria for evaluation shall be determined by the Nomination and Remuneration Committee and disclosed in the Company's Annual Report. However actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board and Committees. An indicative list of factors that may be evaluated as a part of this exercise is:

- Participation and contribution by a director,
- Commitment (including guidance provided to senior management outside of Board/ Committee meetings),
- Effective deployment of knowledge and expertise, Effective management of relationship with stakeholders, Integrity and maintenance of confidentiality, Independence of behavior and judgment, and
- Impact and influence.

9. DISCLOSURES, OTHER DIRECTORSHIPS AND BUSINESS INTERESTS

During the Term, Independent Directors agree to promptly notify the Company of any change in their directorships, 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 Chairman and the Company Secretary.

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

10. CHANGES IN PERSONAL DETAILS

During the term, they shall promptly intimate the Company Secretary 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.

11. TERMINATION

Their 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 2013 Act, their directorship may be terminated for violation of any provision of the POEL Code of Conduct as applicable to Non-Executive Directors.

They may resign from the directorship of the Company by giving a notice in writing to the Company stating the reasons for resignation and also to Registrar of Companies (ROC). The resignation shall take effect from the date on which the notice is received by the Company or the date, if any, specified by them in the notice, whichever is later.

If at any stage during the Term, there is a change that may affect their status as Independent Directors as envisaged in Section 149(6) of the 2013 Act or, if applicable, they fail to meet the criteria for "Independence" under the provisions of Regulation 25 of the SEBI Listing Regulations, they agree to promptly submit their resignation to the Company with effect from the date of such change.

12. CO-OPERATION

In the event of any claim or litigation against the Company, based upon any alleged conduct, act or omission on their part during their term, they agree to render all reasonable assistance and co-operation to the Company and provide such information and documents as are necessary and reasonably requested by the Company or its counsel.

