

Elpro International Limited

Terms and Conditions of Appointment of Independent Directors

Pursuant to the Companies Act, 2013 and Listing Agreement

Regd. Office: Elpro International Limited, 'Nirmal', 17th Floor,
Nariman Point, Mumbai 400021



Terms and Conditions of Appointment of Independent Directors

The terms and conditions of appointment of the Independent Directors are subject to the provisions of the applicable laws, including the Companies Act, 2013 and Clause 49 of the Listing Agreement (as amended from time to time) and the Articles of Association of the Company. The broad terms and conditions of their appointments as Independent Directors of the Company are reproduced hereunder:

1. Term of Appointment:

In accordance with the provisions of the Companies Act, 2013 and the Rules framed thereunder, the appointment shall be valid up to a term of five years. Reappointment 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 shareholders. The reappointment would be considered by the Board based on the outcome of the performance evaluation process and the directors continuing to meet the independence criteria.

As Independent Directors, they will not be liable to retire by rotation.

The appointment can be terminated either by the Independent Director or by the Company as per the provisions of the Companies Act, 2013.

2. Expectations of the Board and the Duties:

The Independent Directors shall be collectively responsible for meeting the objectives of the Board which include, the requirements under the Companies Act, 2013, accountability under the Directors Responsibility Statement and "Responsibilities of the Board" as outlined in the Corporate Governance requirements as prescribed by Stock Exchanges under Clause 49 of the Listing Agreement. They shall also abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Companies Act, 2013.

They are also expected to devote appropriate time and provide guidance in their area of expertise.

3. Board Committees:

During the tenure of office, the Independent Directors may be required to serve on one or more of the Committees of the Board formed by Company subject to the ceiling on the number of Committees as may be prescribed. Any change in the constitution of the Committee shall be informed promptly to the Independent Director.



4. **Directors and Officers liability insurance:**

Presently, the Company has no Director's & Officer Liability Insurance Policy. However, if the Company takes such a policy then a copy of the same will be supplied on request.

5. **Code of Conduct:**

The Board has adopted a Code of Conduct for its Directors and Senior Management personnel and also a Code for Prevention of Insider Trading. The Independent Directors are expected to abide by the provisions of the aforesaid Codes and provide an annual declaration for the same. The provisions of both, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and the 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, they shall not participate in any business activity which might impede the application of their independent judgment in the best interest of the Company.

6. **Other directorships and business interests:** It is accepted and acknowledged that the Independent Director may have business interests other than those of the Company. As a condition to their appointment, they are required to declare in the prescribed format any such directorships, appointments and interests to the Board in writing at the time of their appointment and first board meeting of every financial year or whenever there is any change in such disclosures already made.

7. **Change of personal details:**

During the term, they shall promptly intimate the Company Secretary and the Registrar of Companies in the prescribed manner, of any change in address or other contact and personal details provided to the Company at the time of their appointment.

8. **Remuneration:**

The Independent Director will be entitled to receive sitting fees as approved by the Board for the Board meetings and Committee meetings attended by them along with conveyance for attending the meetings and also re-imburement of travel and accommodation expenses incurred for participating in the meetings of the Board/ Committees. Commission may be paid on the basis of recommendation of the Nomination and Remuneration Committee and subject to the approval of the Board and Shareholders, as the case may be, in terms of the provisions of the Companies Act, 2013 and the Rules framed thereunder. The Independent Directors shall not be entitled to any bonus and participation in any share scheme or stock options that may be issued by the Company.



9. **Liability:**

Subject to applicable laws, for any breach of duties, the Independent Directors will be liable to consequence prescribed under applicable law and in relation to the Company, the Independent Directors would be liable for such acts of omission or commission by the Company which had occurred with his/her knowledge, attributable through Board processes, and with his/her consent or connivance, or where the Independent Directors has not acted diligently.

10. **Confidentiality:**

Highest standards of confidentiality shall be observed and no kind of disclosure to any person or Company (whether during the course of the Appointment or at any time after its termination) shall be made on any confidential information concerning the Company and any Group Companies with which the Independent Directors come into contract by virtue of their position as an Independent Director of the Company.

11. **General:**

All the terms and conditions as mentioned above 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.

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