

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 (i) applicable laws, including the Companies Act, 2013 ('2013 Act') and Clause 49 of the Listing Agreement (as amended from time to time) and (ii) Articles of Association of the Company.

The broad terms and conditions of their appointments as Independent Directors of the Company are reproduced hereunder:

1. Appointment / Re-appointment

The appointment of the Independent Director on the Board of Moser Baer India Limited is subject to the provisions of Companies Act, 2013, applicable stock exchange requirements, as per the Articles of Association of the Company and other laws of India.

In compliance with provisions of Section 149(13) of the Companies Act, 2013 the Directorship of Independent directors of the Company are not subject to retirement by rotation.

Re-appointment at the end of the Term shall be based on the outcome of performance evaluation, as provided under section 178 read with schedule IV of the Companies Act, 2013 and amended clause 49 of Listing Agreement, Company's internal policies and recommendation of the Nomination and Remuneration Committee, and subject to the approval of the Board and the shareholders as per provisions of Companies Act, Listing Agreement and other applicable regulations.

In the event that any Independent Director are not re-elected at any AGM, the appointment of the concerned Independent Director shall terminate immediately without any entitlement to compensation in respect of any loss (including but not limited to loss of future fees).

2. Board Committees

As advised by the Board, during the tenure of office, the Independent Director may be required to serve on one or more of the Committees of the Board established by the Company or on the Board / committees of the subsidiaries / Associate and Investee companies. Upon any such appointment to any one or more Committees, they will be provided with the appropriate Committee charter which sets out the functions of that Committee.

3. Role, Duties and Responsibilities

A. As members of the Board, they 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 Clause 49 of the Listing

Agreement,

- Accountability under the Director's Responsibility Statement
- The Securities and Exchange Board of India SEBI (Issue of Capital and Disclosure Requirements) Regulations
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
- The Listing Agreement between the Company and the BSE and NSE, respectively
- The Company's Code of Business Ethics with which you are required to confirm compliance annually
- The Company's code for Prevention of Insider Trading

B. They 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 Clause 49 of the Listing Agreement.

C. They are particularly requested to provide guidance in their area of expertise.

4. Time Commitment

As an Independent Directors of the Company they are expected to bring objectivity and independence of view to the Board's discussions and to provide help to the Board with effective leadership in relation to the Company's strategy, performance and risk management as well as ensuing high standards of financial probity and corporate governance. They agree to devote such time as is prudent and necessary for the proper performance of their role, duties and responsibilities

5. Remuneration

As Independent Directors, they shall be paid sitting fees for attending the meetings of the Board and the Committees of which they are members. The sitting fees for attending each meeting of the Board and its Committees would be as determined by the Board from time to time.

In addition to the sitting fees, commission that may be determined by the Board may also be payable to them. In determining the amount of this commission, the Board supported by the Nomination and Remuneration Committee may consider performance of the Company and their performance as evaluated by the Board.

Further, the Company may pay or reimburse to the Director such 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 accommodation, travel and any out of pocket expenses for attending Board/ Committee meetings, 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 the expense being reasonable, professional advice from independent advisors in the furtherance of their duties as

Independent Directors.

6. D & O Insurance

The Company provides appropriate Directors' and Officers' Liability Insurance policy and pays the premiums for the same subject to the terms of the policy from time to time in force (which may be subject to change).

7. Moser Baer Code of Conduct

As Independent Directors of the Company, they agree to comply with the Moser Baer Code of Conduct for Directors.

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

Their obligation of confidentiality shall survive cessation of their respective directorships with the Company.

The provisions of both, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and the Moser Baer 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.

All Directors are required to sign a confirmation of acceptance of the Moser Baer Code of Conduct for Directors as adopted by the Board on annual basis.

8. Training and Development

Every new independent director of the Board attends an orientation program. Presentations are made by executive directors / senior managerial personnel. The presentations cover an overview of our strategy and operations to familiarize the new inductees about the strategy, operations and functions of our Company. The induction program will provide an opportunity to interact with the senior leadership of the Company and help the inductees understand the Company's strategy, operations, service and product offerings, markets, software delivery, organization structure, finance, HR, technology, quality, facilities and risk management.

The Company may, 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.

9. Performance Appraisal / Evaluation Process

As members of the Board, their performance as well as the performance of the entire Board and its Committees will be evaluated annually. Evaluation of each director shall be done by all the other directors except the director concerned. The criteria for evaluation shall be disclosed in the Company's Annual Report. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board / Committee.

10. Conflict of Interest and disclosure

During the Term, they 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 Directors 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, upon any change in circumstances which may affect their status as an Independent Director.

11. Confidentiality

All the information that they receive from the Company or from its direct or indirect subsidiaries (together the "Group") and have access to regarding the Company's and Group's businesses, transactions, employees and affairs (and including for the avoidance of doubt any information in respect of which the Company or any other Group Company is bound by an obligation of confidentiality to a third party) should be regarded as confidential. It should not be disclosed, either during appointment or at any time thereafter to any third party without the prior written approval of the Chairman of the Company.

This requirement shall not apply to information which is legitimately in the public domain or is properly required to be disclosed by any legal or regulatory authority. They would not use confidential information for any purposes other than those of the Company. All Company property should be returned at the end of your appointment and you should ensure that you have not kept copies of Company information in any form whatsoever. They should also refrain from making any public statement regarding the Company without the prior written approval of the Chairman.

12. Termination

They 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 them in the notice, whichever is later.

Their directorship on the Board of the Company shall cease in accordance with law. The

Company may disengage Independent Directors prior to completion of Term (subject to compliance of relevant provisions of the 2013 Act) upon

- Violation of any provision of the Moser Baer Code of Conduct as applicable to Directors,
- Upon the director failing to meet the criteria for independence as envisaged in Section 149(6) of the 2013 Act.

13. Liability

Being an independent director they shall be held liable, only in respect of such acts of omission or commission by a company which had occurred with their knowledge, attributable through Board processes, and with their consent or connivance or where they had not acted diligently with respect of the provisions contained in the Listing Agreement.