



# BHAGYANAGAR INDIA LIMITED

(CIN- L27201TG1985PLC012449)

Regd. Off: 5<sup>th</sup> Floor, Surya Towers, S.P.Road, Secunderabad-500 003

## THE TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTOR

*[Pursuant to the provisions of Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

### 1. Term of Appointment:

Subject to members' approval at the Annual General Meeting of the Company, The term of appointment of Independent Directors of the Company is for a period of 5 consecutive years from the date of their being appointed or designated as such on the Board of the Company.

Appointment of Independent Director is also subject to the permissible directorships that one can hold as per the provisions of the Companies Act, 2013 and other applicable statutes.

In compliance with the provisions of section 149 (3) of the Companies Act, 2013, Independent directors appointment is not subject to retirement by rotation.

### 2. Role and Duties:

In addition to their role as a director, the Board may nominate independent directors as the Chairman / Member of the other Board committees, as it may deem fit from time to time.

Further, schedule IV of the Companies Act, 2013 prescribes certain duties of independent directors. The Board may prescribe any further duties and responsibilities, including as per the provisions of the applicable regulations.

### 3. Code of Conduct for Independent Directors:

Independent Director should continue to meet the criteria of independency during his/her tenure in the Company as prescribed in Schedule IV of Companies Act, 2013.

An Independent Director is also required to abide to the Code of Conduct formulated for Independent Directors.

### 4. Remuneration:

Independent Directors are entitled to a Sitting Fee for meetings of the Board / Committee of Board of which they are members. The amount of sitting fess shall be as decided by the Board from time to time.

### 5. Reimbursement of Expenses:

The Company will reimburse Independent Director for all direct expenses such as accommodation, travelling expenses and other expenses, reasonably and properly incurred for attending the meetings.

### 6. Evaluation:

The Company will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors on an annual basis as per policy of the Company. The appointment and re appointment on the Board shall be subject to the outcome of the evaluation process.

**7. Disclosure/ Conflict of Interest:**

Independent Directors shall disclose/ declare their interests as a shareholder, director, partner of other companies or entities to the Board in the prescribed form at the time of their appointment, at the time of any change therein, and a general notice of interest before the commencement of every financial year thereafter.

**8. Confidentiality:**

The Independent Directors will apply the highest standards of confidentiality and not disclose to any person or Company (whether during the course of the tenure as Independent Director at any time after its cessation), any confidential information concerning the Company and any Group Companies with which he/she comes into contact by virtue of his/her position as Director, except for the compliance with any law or Court Order or specifically authorised by the Company..

The attention of Independent Directors has also been drawn to the Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the Company’s Code of Conduct for Prevention of Insider Trading, prohibition disclosure or use of unpublished price sensitive information.

**9. Disengagement:**

Independent Director may resign from his position at any time by serving a reasonable written notice on the Board.

If at any stage during the term, there is a change that may affect their status as an Independent Director as envisaged in Section 149(6) of the Companies Act, 2013 or, if applicable, they fail to meet the criteria of “independence” under the Listing Agreement with the Stock Exchanges they agree to promptly submit their resignation to the Company with effect from the date of such change.

They are not entitled for any compensation for loss of office as an Independent Director, or as consideration for retirement /resignation/termination from such office or in connection thereto.

**10. GENERAL**

All the terms as mentioned above including the appointment, remuneration, professional conduct, role and functions, duties and evaluation shall be governed by the Companies Act, 2013 and Rules made thereunder & Corporate Governance requirements under the Listing Agreement, as amended from time to time.

*Note: These are the general terms and conditions of appointment of Independent Directors which are subject to modification/ amendment.*

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