

## **VIKALP SECURITIES LIMITED**

### **TERMS AND CONDITIONS FOR APPOINTMENT OF INDEPENDENT DIRECTORS & TRAINING AND FAMILIARISATION OF INDEPENDENT DIRECTORS**

#### **1. CRITERIA FOR APPOINTMENT AND REMUNERATION**

Appointment and reappointment and determination of remuneration shall be subject to

- i. Satisfaction of criteria as mentioned in Companies Act, 2013 (“Act”) and SEBI(Listing obligation And Disclosure)Regulation 2015 (as may be amended from time to time)(“Listing Regulations”), and
- ii. policy formulated by the Nomination and Remuneration Committee of the Company for the same, and
- iii. approval of Board of Directors of the Company and members of the Company.

#### **2. TENURE OF APPOINTMENT AND OTHER TERMS**

- i. Tenure** - Independent directors shall be appointed for a maximum period of 5 consecutive years on the Board of the Company.
- ii. Retirement by Rotation** - Independent directors shall not be liable to retire by rotation.
- iii. Reappointment** - In terms of the Act, Independent Director, on the expiry of first term of 5 years, may be eligible to serve as an Independent Director for another term of up to 5 years, subject to the criteria as laid down in clause (1) above. An Independent Director shall not hold office for than two consecutive terms, but such independent director shall be eligible for appointment after the expiration of three years of ceasing to become an independent director. I Provided that during the said period of three

years, Independent director shall not be appointed in or be associated with the company in any other capacity, either directly or indirectly.

### **3. BOARD COMMITTEES**

As advised by the Board, during the tenure of office, Independent Director may be required to serve on one or more of the Committees of the Board. Upon appointment of Independent Director to any one or more Committees, he/she will be provided with the appropriate Committee charter which sets out the functions of that Committee.

### **4. INDEPENDENT DIRECTORS' DISCUSSION**

Independent Directors shall hold at least one meeting in a year, without the presence of non-independent directors and members of the management and all independent directors shall strive to be present at such meeting. At this meeting, the Independent Directors *inter alia* review the performance of the Non-Independent Directors and the Board of Directors as a whole, evaluate the performance of the Chairman of the Board and discuss aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

### **5. DISCLOSURES, OTHER REQUIREMENTS AND BUSINESS REQUIREMENTS**

During the Term, they agree to promptly notify the Company of any change in their directorships, Memberships 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, upon any change in circumstances which may affect their status as an Independent Director.

## **6. REMOVAL AND RESIGNATION**

Notwithstanding the other provisions of the terms and conditions of the appointment of the Independent Director, the appointment may be terminated with or without cause at any time by the Company with immediate effect, in accordance with the Companies Act, 2013 and Rule and Regulations made thereunder and the Company's Articles of Association or, as applicable, or upon the resignation of the Independent Director, or the Board of Directors (excluding the concerned Independent Director) is of opinion that the continued appointment is not in the interest of the Company. Upon such termination or resignation of the appointment for any reason, the Independent Director shall not be entitled to any damages for loss of office and no fee will be payable in respect of any unexpired portion of the term of the appointment or any damages whatsoever. Upon such termination or resignation, the Independent Director will have to undertake to sign all appropriate paperwork that the Company may require

## **7. REVIEW OF PERFORMANCE BY NOMINATION AND REMUNERATION COMMITTEE AND BOARD OF DIRECTORS OF COMPANY**

Performance of Independent Directors shall be evaluated as per the evaluation criteria laid down by the Nomination and Remuneration Committee and such evaluation will be done by the entire Board of Directors of the Company excluding the director being evaluated.

## **8. CONFIDENTIALITY AND NON-DISCLOSURE**

The Independent Director must apply the highest standards of confidentiality and not disclose to any person or company (whether during the course of the appointment or at any time after its termination) any confidential information concerning the Company and any Group Companies (including wholly owned subsidiaries) with which he comes into contact by virtue of his position as an Independent Director of the Company.

Any information concerning the Company's business, its customers, suppliers, etc. which is not in public domain and to which all employees do not have access, should be considered confidential for the purpose and should be held in confidence, unless authorised to do so and when disclosure is required as a requirement of law.

The attention is drawn to the requirements under Indian regulations as to the disclosure of price sensitive information. The Independent Director shall not provide any information either formally or informally, to the press or any other publicity media without prior written clearance from the Chairman or Company Secretary.

On termination of the Appointment, the Independent Director will deliver to the Company all books, documents, papers, and other property of or relating to business of the company or any Group Company which are in their possession, custody or power by virtue of their position as an Independent Director of the Company. The Company will arrange the disposal of papers that he no longer requires.

If there is a breach or threatened breach of the provisions of Confidentiality, the Company shall be entitled to injunctive relief.

## **9. ROLES AND RESPONSIBILITIES**

- i. Independent directors are required to give declaration of their independence at the first Board Meeting of the Company held after their appointment and thereafter at the first Board Meeting in every financial year or wherever there is change in the circumstances which may affect their status as an independent director.
- ii. Independent Director shall abide by the 'Code for Independent Directors' as outlined in Schedule IV to Section 149(8) of the Act, and duties of director as provided in the Act (including Section 166) and in Regulation 4(2)(f) of the Listing Regulations
- iii. Shall be collectively responsible as Board Members to meet the objectives of Board and shall be required to play the role and carry responsibility as mentioned under Companies Act, 2013 and Listing . Regulations.
- iv. Shall meet formally from time to time, with other Board Members for the business purposes of the Company and shall devote such time as is prudent and required for performing their roles and responsibilities as Independent directors.
- v. Shall follow the Code of conduct laid down by the company.

**10. TRAINING AND FAMILIARISATION OF INDEPENDENT DIRECTORS**

In terms of Regulation 25(7) of the Listing Regulations, the Company shall conduct training and familiarisation sessions for the Independent directors of the Company from time to time in order to familiarize them with the company, their roles, rights and responsibilities in the company, nature of industry in which company operate business model of the company , etc., through various initiatives .

**11. LIABILITY**

An independent director shall be held liable, only in respect of such acts of omission or commission by the company which had occurred with his knowledge, attributable through processes of board of directors, and with his consent or connivance or where he had not acted diligently with respect to the provisions contained in Act and Listi