

Terms and conditions of Appointment of NED

1. **Term of appointment** – For a period of two terms. Each term shall be for a maximum period of five years.
2. **Committee Membership** - As a Non-Executive Independent Director with the Company, the Directors may be requested to serve on one or more of the Board's Committees which will be communicated through separate letter/e-mail setting out the anticipated time commitment and any specific responsibilities that may be expected from him.
3. **Duties and Responsibilities** –
 - a. Directors shall always act collectively as a Board/Committee, or as specifically authorised by the Board/Committee.
 - b. Expected to attend and participate in all meetings as far as possible.
 - c. Expected to be well informed about the Company and have adequate understanding of the company's business operations so that you can contribute to the growth of the Company.
 - d. Shall provide strategic direction and also act as a constructive critic in looking at the objectives and plans of the management.
 - e. Expected to be loyal in all the transactions with the Company or in the course of dealing on behalf of the Company and always act without any conflict and put the interests of the Company before yours or that of other Directors.
 - f. Shall disclose personal and business interests on any matter placed before the Board/Committee and not to participate in discussion and voting on such matters.
 - g. Shall not disclose confidential information of the Company to any third party unless specifically authorised by the Board.
 - h. Shall submit various disclosures/declarations under the applicable laws and as per the Company's Policies.

Further, the Companies Act, 2013 provides for certain duties to be fulfilled by all the directors, both Executive and Non-Executive, which are summarised as below:

- a) Acting in accordance with the Company's Articles of Association.
- b) Acting in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interest of the Company.
- c) Discharging duties with due and reasonable care, skill and diligence and

exercising independent judgement.

- d) Not involving in a situation which may be having a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- e) Not achieving or attempting to achieve any undue gain or advantage either to himself/herself or to any relatives, partners or associates.
- f) Not assigning office as Director and any assignments so made shall be void.

4. ADHERENCE TO THE COMPANY'S POLICIES

The Company has following Codes of Conduct in place:

- a) "Code of Conduct for Board and Senior Management" framed under the Listing Agreement entered into with Stock Exchanges; and
- b) "NLT Code of Conduct for Prevention of Insider Trading" framed under SEBI Prohibition of Insider Trading Regulations, 1992.

Directors are requested to adhere to these Codes and disclosures described therein. Both the

Codes are available on the website of the Company.

5. LIMITATION OF LIABILITY UNDER THE COMPANIES ACT, 2013

Pursuant to the provisions of the Companies Act, 2013, a Non-Executive Independent Director will be liable only in respect of such omission or commission by a company which had occurred with his/her knowledge, attributable through Board processes, and with his/her consent or connivance or where he/she had not acted diligently.

6. DIRECTORS AND OFFICERS (D&O) LIABILITY INSURANCE POLICY

The Company has a Directors and Officers (D&O) liability insurance policy in place, with aggregate policy amount of INR Equivalent to Rs. 1500 Million, under which all directors of the Company are covered.

7. CONFIDENTIALITY AND CONFLICT OF INTEREST

You are expected to maintain all agenda, notes, data, records and other documents in any way relating to the Company's business interest, as highly confidential and

maintain them as inaccessible to others. In case of situations of any conflict of interest at any time, a full disclosure may be made immediately to the Board.

8. COMPENSATION

As a Non-Executive Independent Director on the Board of the Company, the Director shall be entitled to:

- a. Sitting fees of Rs./- (Rupees) only for attending each Board Meeting and Audit Committee Meeting of the Board or such fee as modified by the Board of Directors.
- b. Commission, paid annually based upon the performance of the Company and contribution made by each Director (cumulatively for all Non-Executive Directors not exceeding 1% of Net Profit of the Company or such amount as may be approved by the shareholders of the Company).

The appointment and continuation of office of the Directors is subject to various applicable provisions of the Companies Act, 2013 and the Listing Agreement of the Stock Exchanges.