

GREEN POWER SUGARS LIMITED

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

[Pursuant to the provisions of Schedule IV to the Companies Act, 2013]

The terms and Conditions of the appointment, which shall, in any event be subject to the provisions of the Companies Act, 2013 and the Articles of Association of the Company are set out below.

The broad terms and conditions of their appointment as Independent Directors are reproduced hereunder:

Terms of Appointment:

1. The term of appointment of an Independent Director (ID) of the Company is for a period of 5 consecutive years from the date of his/ her appointment.
2. In compliance with provision Section 149(13) of the Companies Act, 2013, Independent Directors are not liable to retire by rotation.
3. Independent Directors will be eligible for re-appointment for another term of 5 consecutive years, after the completion of their tenure of first 5 years, subject to Board approval, and the passing of a Special Resolution by Members.
4. Re-appointment 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 re-appointment would be considered by the Board based on the outcome of the performance evaluation process and the directors continuing to meet the independence criteria.
5. The Independent Directors may be requested to be a Member / Chairman of any one or more Committees of the Board which may be constituted from time to time.
6. The appointment may be terminated in accordance with the provisions of the Articles of Association of the Company or on failure to meet the parameters of independence as defined in Section 149(6) of the Companies Act, 2013 or on the occurrence of any event as defined in Section 167 of the Companies Act, 2013. Upon termination or upon resignation for any reason, duly intimated to the Company, Independent Directors will not be entitled to any compensation for loss of office.

Resignation

Independent Directors may resign from their position at any time and should they wish to do so, they are requested to serve a reasonable written notice on the Board. In terms of provisions of the Companies Act, 2013, it is required to file a copy of their resignation letters with the Registrar of Companies.

Time commitment

Considering the nature of the role of a Independent Director, it is difficult for a Company to lay down specific parameters on time commitment. They agree to devote such time as is prudent and necessary for the proper performance of their roles, duties and responsibilities as Independent Directors.

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 inter alia, include:

- ❖ Requirements under the Companies Act, 2013, as amended or re-stated for the time being in force
- ❖ Accountability under the Director's Responsibility Statement.
- ❖ The role and duties of Independent Directors will be those normally required of a Non Executive Independent Director under the Companies Act, 2013. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and are as under:

I. They shall act in accordance with the Company's Articles of Association.

II. They shall act 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.

III. They shall discharge their duties with due and reasonable care, skill and diligence.

IV. They shall not involve themselves in a situation in which they may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.

V. They shall not achieve or attempt to achieve any undue gain or advantage either to themselves or to their relatives, partners or associates.

VI. They shall not assign their office as Director and any assignments so made shall be void.

In addition to the above requirements, the Board of Directors also expect Independent Directors to perform the following functions:

I. Constructively challenge and help develop proposals on strategy for growth of the Company.

II. Evaluate the performance of management in meeting agreed goals and objectives.

III. Satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are effective and defensible.

IV. Determine appropriate levels of remuneration of Executive Directors and play a prime role in appointing, and where necessary, removing Executive Directors and in succession planning.

V. Take responsibility for the processes for accurately reporting on performance and the financial position of the Company.

VI. Keep Governance and Compliance with the applicable legislation and regulations under review and the conformity of Company's practices to accepted norms.

B. They shall abide by the 'Code For Independent Directors' as outlined in Schedule IV to Section 149(8) of the Companies Act, 2013, and duties of directors as provided in the Companies Act, 2013 (including but not limited to Section 166).

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

Status of Appointment and Remuneration

A. As Independent Directors they may be paid sitting fees for attending the Meetings of the Board and the Committees, as may be applicable, of which they are members. The sitting fees, if any for attending each meeting of the Board and its Committees would be as determined by the Board from time to time.

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

C. Further, the Company may pay or reimburse to the Director such expenditure, as may have been incurred while performing their role as an Independent Director of the Company. This could include reimbursement of expenditure incurred for accommodation, travel and any out of pocket expenses for attending Board/ Committee meetings, General Meetings, court convened meetings, meetings with Members/ 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 the duties as an Independent Director.

Insurance

The Company may take an appropriate Directors' and Officers' Liability Insurance policy and pay the premiums for the same. It is intended to maintain such insurance cover for the Term of their appointment, subject to the terms of such policy in force from time to time. A copy of the policy document will be supplied on request.

Code of Conduct

During the appointment, Independent Directors are required to comply with relevant regulations as contained in Schedule IV under Companies Act, 2013.

Training and Development

The Company may, if required, conduct formal training program for its Independent Directors, which may include any or all of the following:

- ❖ Board roles and responsibilities, whilst seeking to build working relationship among the Board members.
- ❖ Company's vision, strategic direction, core values, ethics and corporate governance practices.
- ❖ Familiarization with financial matters, management team and business operations,
- ❖ Meetings with stakeholders, visits to business locations and meetings with senior and middle 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

Disclosures, other directorships and business interests

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, if any.

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.

Performance Appraisal / Evaluation Process

As a member 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. 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.

Confidentiality

A. All information acquired during the appointment is confidential to the Company and should not be released, either during the appointment or following termination (by whatever means) to third parties without prior clearance from the Chairman unless required by law or by the

rules of regulatory body. On reasonable request, Director shall surrender any documents and other materials made available to them by the Company.

- B. Unless specifically authorized by the Company, the Independent Director shall not disclose Company and business information to public constituencies such as the media, the financial community, employees, members, agents, franchises, dealers, distributors and importers.