

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

The following are the terms and conditions for the appointment of Independent Directors as given below in compliance with Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act"):

- The Independent Directors shall be governed by the Code for Independent Directors as laid down in Schedule IV to the Act read with section 149(8) of the Act;
- The Independent Directors shall also comply with the Company's Code of Conduct for Directors;
- The Company has various Sub-Committees of the Board viz., Audit Committee, Risk Management Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, and Investment Committee and may constitute certain other Committees in future. The Board of Directors may appoint the Independent Directors as Chairman/ Member of one or more of the Committees.
- The Independent Directors of the Company shall periodically hold exclusive Meetings without the attendance of non-Independent Directors and Members of the Management. They shall strive to be present at such Meetings;
- The Parent Company viz. Mahindra & Mahindra Ltd. has taken a Group level Directors & Officers Liability Policy and all Directors of the Company including Independent Directors are beneficiaries of the Policy;
- The Payment of Commission, if any, to Independent Directors, shall be on the basis of recommendations made by the Nomination and Remuneration Committee and the Board of Directors subject to the approval of the Shareholders of the Company at the General Meeting, for each of the financial years. The Shareholders of the Company had at the 14th Annual General meeting, approved payment remuneration including profit related commission to the Independent Directors of the Company, appointed from time to time, of such amount up to a limit of Rs. 10,00,000/- per Independent Director, per annum, effective 1st April, 2020, which may exceed 1% or 3% of the net profits of the Company, as the case may be, computed as per Section 198 of the Act, payable in such form and manner as the Board of Directors of the Company may from time to time determine;
- The remuneration of the Independent Directors shall be determined by the Board of Directors based on their performance evaluation done by the entire Board of Directors which will, inter alia, include their participation in the Board and Committee Meetings during the year, ability to challenge view of others in a constructive manner, knowledge acquired with regard to Company's business understanding of industry trends, global trends and other responsibilities undertaken and contributions to the deliberations of the Board and to the Company;
- The Independent Directors shall be entitled to sitting fees and also be eligible for to and fro air fare, accommodation, boarding, conveyance and other incidentals for attending the Board and Committee Meetings and for discharging their duties as Independent Directors of the Company;

- The Independent Directors are expected not to disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law;
- The resignation or removal of an Independent Director shall be in the same manner as provided in sections 168 and 169 of the Act.
