



**CIN: L70109MH2000PLC288648**

**SANMIT INFRA LIMITED**

**TERMS AND CONDITIONS OF APPOINTMENT OF  
INDEPENDENT DIRECTORS**

## **TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS**

The terms and conditions of appointment/re-appointment of the Independent Directors are subject to the extent provisions of the (i) applicable laws, including the Companies Act, 2013 (“the Act”) and relevant regulations of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called the “Listing Regulations”) as amended from time to time and (ii) Articles of Association of the Company. The broad terms and conditions of their appointment/re-appointment as Independent Directors of the Company are reproduced hereunder:

### **APPOINTMENT/RE-APPOINTMENT:**

The term of appointment/re-appointment will be for the period as approved by the shareholders of the Company in the General Meeting. The Company may disengage Independent Directors prior to completion of the Term subject to compliance of relevant provisions of the Act. As Independent Directors, they will not be liable to retire by rotation. 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 of the Company. 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. 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.

### **ROLE, DUTIES AND RESPONSIBILITIES:**

As members of the Board, they along with the other Directors will be collectively responsible for meeting the objectives of the Board which include:

- Requirements under the Act and Listing Regulations.
- “Responsibilities of the Board” as outlined in the Corporate Governance requirements as prescribed by the Listing Regulations.
- Accountability under the Director’s Responsibility Statement.

They shall abide by the ‘Code for Independent Directors’ as outlined in Schedule IV to

section 149(8) of the Act, and duties of directors as provided in the Act (including Section 166 of the Act) and relevant regulations of Listing Regulations (as amended from time to time).

They are particularly requested to provide guidance in their area of expertise.

**TIME COMMITMENT:**

They agree to devote such time as is prudent and necessary for the proper performance of their role, duties and responsibilities as an Independent Director.

**REMUNERATION:**

As Independent Directors, they shall be paid sitting fees for attending the meetings of the Board and the Committees of which they are appointed as members. The sitting fees for attending each meeting of the Board and its Committees would be as determined by the Board from time to time.

In addition to the sitting fees, the Independent Directors may also be paid a commission, as may be determined by the Board, as recommended by the Nomination & Remuneration Committee after considering the performance of the Company and the performance and contribution of the Directors, as evaluated by the Board.

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

### **CODE OF CONDUCT:**

As Independent Directors of the Company, they agree to comply with the Code of Conduct for Directors and Senior Management Personnel. Unless specifically authorised by the Company, they shall not disclose Company and business information to constituencies such as the media, the financial community, employees, shareholders, agents, franchisees, dealers, distributors and importers. Their obligation of confidentiality shall survive cessation of their respective directorships with the Company. The provisions of both, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time) and the Code of practices and procedures for Fair Disclosures of Unpublished Price sensitive information of the Company, would be applicable to the Independent Directors.

Additionally, they shall not participate in any business activity which might impede the application of their independent judgment in the best interest of the Company. All Directors are required to sign a confirmation of acceptance of the Code of Conduct as adopted by the Board on annual basis.

### **TRAINING AND DEVELOPMENT:**

The Company may, if required, conduct formal training program for its Independent Directors. 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.

### **PERFORMANCE APPRAISAL / EVALUATION PROCESS:**

The performance evaluation of Individual Directors shall be done by the entire Board, excluding the directors being evaluated on an annual basis. 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 / Committees.

**DISCLOSURES, OTHER DIRECTORSHIPS AND BUSINESS INTERESTS:**

During the Term, they agree to promptly notify the Company of any change in their directorships, 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 Directors of the Company, they shall promptly disclose the same to the Chairman and the Company Secretary/ Compliance Officer. During their Term, they agree to promptly provide a declaration under Section 149(7) of the Act and also as per Regulation 16 of the Listing Regulations, upon any change in circumstances which may affect their status as an Independent Director.

**CONFIDENTIALITY:**

All information acquired during the tenure of their appointment/re-appointment is confidential and should not be released/communicated, either during appointment/re-appointment or following termination (by whatever means) to third parties without prior clearance from the Managing Director unless required by law or by the rules of regulatory body. On reasonable request, an Independent Director shall surrender any documents and other materials made available to them by the Company. The obligation of confidentiality shall survive termination or cessation of directorship with the Company.

**CHANGES OF PERSONAL DETAILS:**

During the Term, they shall promptly intimate the Company Secretary/Compliance officer and the Registrar of Companies in the prescribed manner, of any change in address or other contact and personal details provided to the Company.

**DISENGAGEMENT:**

They may resign from the directorship of the Company by giving a notice in writing to the Company stating the reasons for resignation. The resignation shall take effect from the date on which the notice is received by the Company or the date, if any, specified by them in the notice, whichever is later. Their directorship on the Board of the Company shall cease in accordance with law. The Company may disengage Independent Directors prior

to completion of Term (subject to compliance of relevant provisions of the Act) upon:

- Violation of any provision of the Code of Conduct as applicable to Directors.
- Upon the director failing to meet the criteria for independence as envisaged in Section 149(6) of the Act and Regulation 16 of the Listing Regulations.

**Approved by the Board of Directors of the Company at their meeting held on 14 August, 2023**