

BANCO PRODUCTS (INDIA) LIMITED

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

1. Period of Appointment:

Subject to the applicable provisions of Companies Act, 2013 and rules made thereunder and Listing Agreement, in force, the Director appointment shall be for the term of 5 years.

2. Expectation of the Board:

The Company anticipates a devotion of sufficient time and attention necessary in order to perform the duties as an Independent Director under the Appointment. This will include :

- Comply with applicable provisions of the Companies Act, 2013 and rules made thereunder, and provisions of the listing agreement executed by the Company with the Stock Exchanges and other Regulatory Authorities as applicable to Independent Director.
- Carry out diligently the roles and functions and duties as provided under the Companies Act, 2013.
- Adhere to the Code of Conduct of the Company for the members of the Board and Senior Management as laid down by the Board and confirm adherence of the same on an annual basis.

3. Appointment in Board Level Committees:

During the tenure as an Independent Director, the Director may be requested to serve on one or more Committees of the Board. The Director is expected to carry out his/her duties/tasks as a Member/Chairman of such Committee(s) of the Board as per the terms of reference of such Committee(s).

4. Fiduciary duties:

The Companies Act, 2013 and rules made thereunder, inter alia, prescribe the following as duties of the directors which will be applicable to the appointment of a Director:

- i. Subject to the provisions of this Act, a director of a company shall act in accordance with the Articles of the company.
- ii. A director of a company 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 interests of the company, its employees, the shareholders, the community and for the protection of environment.
- iii. A director of a company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.

The above list is only indicative and not exhaustive.

5. Conflict of Interest:

- A director of a company shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.

- A director of a company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.

6. Evaluation:

As a member of the Board, the performance as well as the performance of the entire Board and its Committees shall be evaluated annually. Evaluation of each director shall be done by all the other directors. The criteria for evaluation shall be determined by the Nomination and Remuneration Committee and may 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.

7. Declarations:

The Director shall provide annual and periodical declarations for the criteria of independence, other interests and changes.

8. Remuneration / Fees:

The Director will be paid sitting fees, as may be determined by the Board, for participating in the Board Meetings, Committee Meetings or other meetings. The out of pocket expenses reasonably incurred by the Director for attending the Board Meetings, Committee Meetings or other meetings of the Company shall be reimbursed.

9. Code of Business Ethics:

During the Appointment, the Director will comply with Code of Conduct adopted by the Company and such other requirements as the Board of Directors may from time to time specify.

10. List of Actions that the Director should not do while functioning as an Independent Director :

- Misuse any information which is in his/her possession
- Engage in any way (directly and indirectly) in any activity having conflict of interest with that of the Company.
- Shall not engage in Insider Trading Activities.
- The Director shall not achieve or attempt to achieve any undue gain or advantage either to himself/herself or to his/her relatives, partners, or associates and if the Director found guilty of making any undue gain, the Director shall be liable to pay an amount equal to that gain to the company.
- The Director shall not assign his/her office and any assignment so made shall be void.

The above list is only indicative and not exhaustive.

11. Termination Provisions:

Notwithstanding the other provisions, the Appointment may be terminated at any time by the Company in accordance with the Companies Act, 2013 or the Director may resign by written notice. It is desirable that such Director gives the Chairman reasonable intimation of his/her intention to resign or not to seek re-election (where that is possible) so that the Company can plan for succession of skills and experience on the Board. Upon such resignation, the Director shall not be entitled to any damages for loss of office.

12. Confidentiality:

The Director must apply the highest standards of confidentiality and not disclose to any person or company (whether during the tenure of the Appointment or at any time after its termination) any confidential information concerning the Company and any Group Companies with which the Director come into contact by virtue of his/her position as an Independent Director of the Company.

A kind attention is drawn to the requirements under the applicable laws as to the disclosure of price-sensitive information. Consequently the Director should avoid making any statements that might risk a breach of these requirements without prior clearance from the other Members of the Board of Directors of the Company.

Upon cessation Director of the Company will return to the Company all books, documents, papers and other property of or relating to the business of the Company which are in his/her possession, custody or power by virtue of his/her position as an Independent Director of the Company. The Company may arrange the disposal of papers that he/she no longer require.

For Banco Products (India) Limited

Sd/-

Chairman & Managing Director