



**Terms and Conditions of Appointment of Independent
Directors**



Terms and Conditions of Appointment of Independent Directors of DCW Limited

[Pursuant to the provisions of Schedule IV to the Companies Act, 2013 (“the Act”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

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

1. Appointment

- 1.1. In accordance with the provisions of the Companies Act, 2013 (the “Act”) and the Rules made thereunder read with Schedule IV of the Act, the appointment as an Independent Director (“ID”) on the Board of Directors (“Board”) of the DCW Limited (“the Company”), will be effective from <Date of Appointment>, for a period of <Term of Appointment>.
- 1.2. As Independent Directors, they will not be liable to retire by rotation.
- 1.3. The Board may, if it deems fit, invite ID for being appointed on one or more existing Board Committees or any such Committee that is set up in the future. The appointment on such Committee(s) will be subject to applicable law.
- 1.4. 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 shareholders of the Company and on the basis of the outcome of the performance evaluation process.

2. Expectations, Roles, Functions and Duties

- 2.1. ID is expected to bring objectivity and independence of view to the Board’s discussions and to help provide the Board with effective inputs in relation to the Company’s strategy, performance and risk management as well as ensuring high standards of financial probity and corporate governance. ID is also expected to observe and comply with applicable laws, the charter documents of the Company and the rules, regulations and policies of the Company, in relation to his/her directorship and the business of the Company.
- 2.2. The role, functions and duties of ID will be as provided under the applicable law, including the Act and in conformity with Section 149(8) read with Schedule IV of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including in relation to attendance of meetings, maintenance of confidentiality, safeguarding the interests of the stakeholders, bringing objective judgement, asking clarifications, etc.
- 2.3. In addition, the conduct of ID will be governed by applicable law, including the guidelines for professional conduct set out under the Code of Independent Directors, as provided in Section 149(8) read with Schedule IV of the Act, the duties of directors as set out under Section 166 of the Act and



the duties and responsibilities as set out under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- 2.4. The ID shall be required to fulfill all the fiduciary duties along with the accompanying liabilities that come with your appointment as an Independent Director.

3. Remuneration and Reimbursement of Expenses

- 3.1. ID will be paid such remuneration by way of sitting fees for attending meetings of the Board and its Committees as may be decided by the Board from time to time in compliance with applicable law. Further, ID will also be paid remuneration by way of profit related commission. The remuneration shall be subject to applicable taxes and the Company may withhold there from any amounts as are required to be withheld pursuant to applicable law. Any tax liability arising in respect of payments made pursuant to remuneration to ID shall be borne solely by him/her.
- 3.2. The Company has Directors' and Officers' liability insurance and it is intended that the Company will assume and maintain such cover for the full term of appointment of ID.
- 3.3. In addition to the remuneration described above the Company will, for the period of appointment, reimburse ID for travel, hotel and other incidental expenses incurred by him/her in the performance of his/her role and duties.

4. Code of Conduct:

- 4.1. The following Codes are applicable to the Independent Directors:
 - Code of Conduct for Board and Senior Management Personnel (which forms part of the Company's Code of Conduct);
 - Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons; and
 - Such other codes as may be prescribed, subject to the approval of the Board, from time to time.
- 4.2. An ID shall not perform any actions which are in violation of the provisions of the Act, the Listing Regulations, the Securities and Exchange Board of India Act, 1992, the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company's Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons, Code of Conduct for Directors and Senior Management Personnel, Vigil Mechanism & Whistle Blower Policy and such other Codes/ Policies/ Regulations and enactments as may be applicable to the Company and to its Directors.



5. Conflict of Interest

It is accepted and acknowledged that ID may have business interests other than those of the Company. As a condition precedent to commencement of the appointment, ID is required to declare to the Company any such directorships, appointments and interests to the Board. Thereafter, ID is required to declare to the Company whenever there is any change in the circumstances which may affect your status as an ID.

6. Disclosure:

- 6.1. During the term of the office/appointment, ID may promptly notify the Company, any changes in the Directorships and submit such disclosures, information and details as may be required under applicable laws. During the tenure, ID shall agree to provide a “Declaration of Independence” under Section 149(7) of the Act upon any change in circumstances which may affect his/her status as an Independent Director of the Company.
- 6.2. During the term, ID shall promptly intimate the Company Secretary of any change in the address or other contact and personal details provided to the Company.

7. Other Terms and Conditions

7.1. Term:

Subject to applicable law, Independent Directors are eligible to serve for a period of two terms of 5 years each or up to the age of retirement (75 years), whichever is earlier.

7.2. Evaluation

The performance of ID will be evaluated as per the requirements of the Act, SEBI Listing Regulations and the Listing Agreement.

7.3. Termination

(i) ID may resign from his position at any time by serving a reasonable written notice on the Board stating out the reason for resignation. Further, appointment of ID may be terminated in accordance with applicable law.

(ii) Continuation of appointment of ID is contingent on his/her willingness to continue as an ID, and getting re-appointed by the shareholders in accordance with applicable law. ID will not be entitled to compensation in case the shareholders of the Company do not re-appoint him/her at any time.

7.4. Confidentiality

(i) All information in relation to the Company acquired by ID during the appointment and tenure as an ID or cessation (by whatever means) is confidential and should not be disclosed to third parties



without prior clearance from the Company unless required by law. On reasonable request, ID shall surrender any documents and other materials made available by the Company.

(ii) ID is subject to and bound by the prohibition and restrictions against insider trading and disclosure of unpublished price sensitive information, as prescribed under the Act and the regulations issued by the Securities and Exchange Board of India ("SEBI"). ID would have to strictly abide by the Code of Conduct for Prevention of Insider Trading of the Company under SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended or replaced from time to time).

7.5. Liability

Subject to applicable law, for any breach of duties, ID will be liable to consequence prescribed under applicable law and in relation to the Company, ID would be liable for such acts of omission or commission by the Company which had occurred with his/her knowledge, attributable through Board processes, and with his/her consent or connivance, or where ID has not acted diligently.

8. Miscellaneous

- 8.1. The appointment of ID is also subject to the maximum permissible directorships that one can hold under applicable law, including as per the provisions of the Act and the Listing Agreement.
- 8.2. ID will not be in employment of the Company.
- 8.3. ID will be invited to attend ongoing training and familiarization sessions, including briefings from management and site visits.

9. AMENDMENTS IN LAW

- 9.1. Any subsequent amendment/modification in the Act and the Regulations and/or other applicable laws in this regard shall automatically apply to this terms and conditions.