

**The terms and conditions of appointment of the Independent Directors of the Company in accordance with the requirements of Schedule IV to the Companies Act, 2013 (the “Act”) and Clause 49 of the Equity Listing Agreement:**

Members of our Company pursuant to the resolution passed on 30th March, 2015 by Postal Ballot (including voting through electronic means) appointed Shri Chandra Raj Mehta and Shri Sandeep H. Junnarkar as Independent Directors of the Company.

Terms and Conditions of appointment of Independent Directors:

**I. Term**

**A. Shri Chandra Raj Mehta**

He will hold office as an Independent Director up to 31st March, 2019 (the “Termination Date”). Unless the appointment is renewed on or prior to the Termination Date, he will cease to hold office as a director of the Company immediately after the Termination Date.

**B. Shri Sandeep H. Junnarkar**

He will hold office as an Independent Director up to 31st March, 2019 (the “Termination Date”). Unless the appointment is renewed on or prior to the Termination Date, he will cease to hold office as a director of the Company immediately after the Termination Date.

**II. Other Terms and Conditions**

**1. Committees**

1.1 During the term of appointment, the Independent Director will continue to serve on the Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee of the Board and he may be inducted on any other Committee of the Board which may be constituted from time to time as the Board may decide.

1.2 He is appointed as an independent non-executive director and will be identified as such in the annual report and other documentation of the Company. If circumstances change, and he believes that his independence will be in doubt, he should discuss the same with the Chairman of the Company as soon as practicable.

## **2. Duties and Liabilities**

- 2.1 The Independent Director will perform his fiduciary duties in a responsible manner and his general legal responsibilities to the Company will be in accordance with applicable statutory provisions.
- 2.2 The Independent Director shall act in accordance with the Articles of Association of the Company and while discharging his duties, comply with the requirements of Section 166 and Schedule IV of the Act.
- 2.3 The Independent Director will be held liable only in respect of such acts of omission or commission by the Company which have occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he has not acted diligently.

## **3. Code for Independent Directors**

- 3.1 The Company has relied on the declaration of the Independent Director that he meets the criteria of independence as provided in Section 149(6) of the Act as also in Clause 49 of the Listing Agreement with the Stock Exchanges.
- 3.2 As required by Section 149(8) of the Act, the Independent Director will be required to abide by the provisions as set out in Schedule IV to the Act.
- 3.3 As required by Schedule IV to the Act and Clause 49 of the Listing Agreement, the Independent Director will be required to comply with applicable provisions of the Company's Code of Conduct framed by the Board of Directors of the Company.

## **4. Restrictions**

- 4.1 During the term of appointment, the Independent Directors are expected not to take up directorship in any company (whether in India or abroad) engaged in the same or similar businesses as that of the Company or in a company, business or undertaking which competes or is likely to compete with the Company or which could otherwise potentially give rise to a conflict with his duties with the Company. In the event that the Independent Director becomes aware of any potential conflicts of interest, or in case of doubt, he should consult the Chairman of the Company as soon as practicable.

- 4.2 During the term of appointment, an Independent Director shall not serve as (a) an independent director in more than the prescribed number of listed companies; and (b) a committee member of more than the prescribed number of committees (i.e. the Audit Committee and the Stakeholders' Relationship Committee) including chairmanship of such committees.
- 4.3 During the term of appointment, Independent Director shall not indulge in forward dealings in securities of the Company which is prohibited under the Act. Directors are prohibited from dealing in the Company's securities during the period when the trading window is closed. They should not enter into insider trading and are expected to comply with the Company's code for securities dealing as well as with the concerned provisions of the Insider Trading Laws and Regulations.

## 5. **Time Commitment**

By accepting the appointment the Independent Director confirms that he will be able to allocate sufficient time to perform his duties as a director and attend meetings of the Board or any Committee thereof. In addition to such attendance, he will also be expected to devote appropriate preparation time ahead of each meeting.

## 6. **Development**

- 6.1 The Board members are provided with necessary documents, reports and internal policies to enable them to familiarize with the Company's business model, procedures and practices.
- 6.2 Periodic presentations are made at the Board and Board Committee meetings, on business and performance updates of the Company, business strategy and risks involved.
- 6.3 Quarterly updates on relevant statutory changes and landmark judicial pronouncements encompassing important laws are regularly circulated to Directors.

## 7. **Evaluation Process**

The performance evaluation of individual directors shall be done by the entire Board, excluding the director being evaluated, on an annual basis.

**8. Remuneration**

In consideration of the Independent Directors' services, the Company will pay him sitting fees as decided by the Board for attending each meeting of the Board or any committee thereof or any other meeting of Directors.

**9. Expenses**

In addition to the remuneration stated in the preceding paragraph, the Company will reimburse the Independent Director, or bear and pay, all travel, conveyance, accommodation or other expenses incurred as a result of him carrying out his duties as a director. The Independent Director may, at the Company's expense, seek independent legal or other professional advice where necessary to perform his duties and will be entitled to reimbursement of costs incurred in seeking such advice. In these circumstances, he should discuss the issues concerned with the Chairman of the Company in advance.

**10. Confidentiality**

The Independent Director agrees that both during and after the term of appointment, he will not use for his own, or for another's benefit, or disclose or permit the disclosure of any confidential information, which he may acquire by virtue of his position as an independent director of the Company, including without limitation, any information about the deliberations of the Board, unless such disclosure is expressly approved by the Board or required by law. The restriction shall cease to apply to any confidential information which may (other than by reason of the director's breach of this condition), become available to the public generally.

**11. Insurance**

The Company has Directors' and Officers' ("D&O") liability insurance and it is intended to maintain such cover for the full term of the appointment. The Independent Director may obtain details of such insurance from the Company Secretary.

**12. Indemnity**

The directors are granted an indemnity from the Company in respect of liabilities incurred as a result of their office, to the extent permitted by law.

**13. Publication of Letter**

In line with the provisions of Schedule IV to the Act and Clause 49 of the Listing Agreement, the letter of appointment will be open for inspection by any member and the Company will also post the terms and conditions of the appointment on the Company's website [www.riil.in](http://www.riil.in).

**14. Governing Law**

The appointment and the terms are governed by the laws of India.

**15. Relationship**

15.1 The appointment constitutes neither a contract for services nor a service contract.

15.2 There will be no relationship of employer and employee as a consequence of appointment as a director of the Company.

**16. Authority**

The letter of appointment will be issued under the authority of the Board.

**For Reliance Industrial Infrastructure Limited**

Chairman