

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

The terms and conditions of appointment of the following Independent Directors are subject to the extant provisions of the:

- (i) Applicable laws, including the Companies Act, 2013 ('2013 Act') and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") (as amended from time to time); and
- (ii) Articles of Association of the Company.

<b>Sl. No.</b>	<b>Name of Independent Director</b>	<b>From</b>	<b>To</b>
1.	Mr. Amit Kumar Dabriwala	April 1, 2014	March 31, 2019
2.	Mr. Amit Dalal	April 1, 2014	March 31, 2019
3.	Mr. Sivaramakrishnan Iyer	April 1, 2014	March 31, 2019
4.	Ms. Shweta Vyas	October 14, 2014	October 13, 2019

The broad terms and conditions of their appointments as Independent Directors of the Company are reproduced hereunder:

#### **1. Term**

In terms of the provisions of the Companies Act 2013 and SEBI Listing Regulations, the appointment of Independent Directors will be for the period mentioned against their respective names ("**Term**") in the table above. The Company may disengage Independent Directors prior to completion of the term subject to compliance of relevant provisions of the 2013 Act.

During the tenure as an Independent Director, they are required to submit a declaration at the beginning of every Financial Year under Section 149 (7) of the Companies Act, 2013 ("Act") stating that they meet the criteria of Independence as set out in the Companies Act 2013 and SEBI Listing Regulations.

In compliance with the provisions of section 149(13) of the Companies Act 2013, their directorship is not subject to retirement by rotation.

During their term as an Independent Director of the Company, the number of companies in which they hold office as a Director or a chairman or committee member shall not exceed the limit stipulated under the Act and the SEBI Listing Regulations.

During their term, they shall ensure that they do not get disqualified to act as a Director pursuant to the provisions of Section 164 of the Act.

They shall ensure compliance with other provisions of the Act and the SEBI Listing Regulations as applicable to them as an Independent Director.

## **2. Committees**

The Board of Directors (the Board) may, if it deems fit, invite them for being appointed on one or more existing Board Committees or any such Committee that is set up in the future. Their appointment on such Committee(s) will be subject to the applicable regulations.

## **3. Time Commitment**

They are expected to bring an independent view to the Board discussions and help in ensuring a high standard of corporate governance. They are also requested to devote such time as is prudent and necessary for the proper performance of their role, duties and responsibilities as an Independent Director.

They are requested to dedicate sufficient time and attention towards the business affairs of the Company and participate actively/constructively in:

- All meetings of the board
- All meetings of the Committees of which they are a member or Chairperson
- General Meetings of the Company; and
- Annual meeting of the Independent Directors

#### **4. Role and Duties**

Their role and duties will be those normally required of a Non-Executive Independent Director under the Companies Act, 2013 and SEBI Listing Regulations. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and the same are specified under Section 166 of the Act.

In addition to the above requirements, they are also required to discharge the duties, roles and functions as applicable to Independent Directors as stated under Schedule IV to the Act, as in force and as may be amended from time to time.

#### **5. Responsibilities:**

Their role shall be to effectively represent and promote the interests of shareholders with a view to adding long-term value to the Company by contributing to the following:

- establishing policies for strengthening the performance of the Company including ensuring that management is proactively seeking to build the business through innovation, initiative, technology, new products and the development of its business capital;
- deciding on whatever steps are necessary to protect the Company's financial position and the ability to meet its debts and other obligations when they fall due, and ensuring that such steps are taken;
- ensuring that the Company's financial statements are true and fair and otherwise conform with law;

- ensuring that the Company adheres to high standards of ethics and corporate behaviour; and
- ensuring that the Company has appropriate risk management/regulatory compliance policies in place.

However, in the normal course of events, day to day administration of the Company is left to the management.

#### **6. Code of Conduct for Independent Directors**

All the directors are required to abide by the Code for Independent Directors as prescribed in Schedule IV of Companies Act, 2013.

#### **7. Provision for Directors' and Officers' Insurance**

The Company provides all its directors with, and pays the premiums for, indemnity and insurance cover while acting in their capacities as directors.

#### **8. Conflict of Interest**

It is accepted and acknowledged that they may have business interests other than those of the Company. They are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of their appointment. Further, during the Term, they shall 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.

In the event that their circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead the Board to revise its judgment that they are independent, this should be disclosed to both the Chairman and the Secretary.

## **9. Disclosure of Interest**

The Company shall include in its Annual Accounts a note of any material interest that a Director may have in any transaction or arrangement that the Company has entered into. Such interest should be disclosed no later than when the transaction or arrangement comes up at a Board meeting so that the minutes may record their interest appropriately and the Company's records are updated. A general notice that they are interested in any contracts with a particular person, firm or company is acceptable.

## **10. Induction and Development**

The Company shall, if required, conduct formal induction program for its Independent Directors.

## **11. Performance Evaluation**

As a member of the Board, their performance shall be evaluated annually. The criteria for evaluation shall be determined by the Nomination & Remuneration Committee and disclosed in the Company's Annual Report. However, the actual evaluation process shall remain confidential with the Chairman and shall be a constructive mechanism to improve the effectiveness of the Board/Committee.

Their re-appointment or extension of term and their remuneration will be recommended by the Nomination and Remuneration Committee of the Board, pursuant to a performance evaluation carried out by the Chairman. If, in the interim, there are any matters arising in connection with their role as a Non-Executive Independent Director which cause them concern, they may discuss with the Chairman as soon as appropriate.

## **12. Remuneration**

They will be paid such remuneration by way of sitting fees for attending the meetings of the Board and the Committees as may be decided by the Board from time to time, subject to approval of the shareholders, if required. In addition, they shall also be entitled to commission that may be determined by the Board, payable at the end of each financial year, and shall be based on the performance of the Company, their performance evaluated by the Board of Directors and in terms of the criteria prescribed by the Nomination and Remuneration Committee.

Further, the Company may pay or reimburse to them such fair and reasonable expenditure, as may have been incurred by them while performing their role as an Independent Director of the Company.

Pursuant to applicable law, they shall not be entitled to any stock options.

## **13. Dealing in Shares and Code of Conduct**

Directors are prohibited from dealing in shares of the Company during the period of closure of the trading window. Further, directors being designated officers of the Company for the purpose of insider trading guidelines, are required to obtain pre-clearance of trades (buy/sell/gift) from the Compliance Officer as prescribed in the PML Insider Trading Policy, as amended from time to time and comply with the same. They are also required to comply with the Company's Insider Trading Code as adopted by the Board.

## **14. Confidentiality**

All information acquired during their appointment is confidential to the Company and should not be released, either during their appointment or following termination (by whatever means) to third parties without prior clearance from the Chairman unless required by law or by the rules of any stock exchange or regulatory body. If

any Confidential Information is required to be disclosed by them in response to any summons or in connection with any litigation, or in order to comply with any applicable law, order, regulation or ruling, then any such disclosure shall be made by them, to the extent possible, with the prior consent of the Board.

## **15. Termination**

Continuation of their appointment is contingent on them getting re-elected by the shareholders in accordance with provisions of Companies Act, 2013 and the Articles of Association of the Company, from time to time in force.

Their appointment may also cease on the grounds of termination as specified in the Companies Act 2013.

If at any stage during their term, there is a change that may affect their status as an Independent Director as envisaged under section 149(6) of the Companies Act 2013, or they fail to meet the criteria of independence under the provisions of SEBI Listing Regulations, they shall promptly submit their resignation to the Company with effect from the date of such change.