

**SHRIRAM VALUE SERVICES LIMITED**  
**CIN: U63090TN1995PLC033513**

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

The terms and Conditions of the appointment, which shall, in any event be subject to the provisions of the Companies Act, 2013 and the relevant rules, including amendments, if any and the Articles of Association of the Company.

The broad terms and conditions of the appointment of Independent Directors are as follows:

1. The appointment will be for the period as decided by the Company during the time of appointment. The Company may remove Independent Directors prior to completion of the Term subject to compliance of relevant provisions of the Companies Act 2013 and Articles of Association of the Company.
2. In compliance with provision Section 149(13) of the Companies Act, 2013, Independent Directors are not liable to retire by rotation.
3. 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.
4. The 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.
5. The appointment may be terminated in accordance with the provisions of the Articles of Association of the Company or on failure to meet the parameters of independence as defined in Section 149(6) of the Companies Act or on the occurrence of any event as defined in section 167 of the Companies Act, 2013.

**Roles 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:

- I. Requirements under the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013,
- II. Accountability under the Director's Responsibility Statement.
- III. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and are as under:
  - a) They shall act in accordance with the Company's Articles of Association.
  - b) They 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 interest of the Company.
  - c) They shall discharge their duties with due and reasonable care, skill and diligence.

- d) They shall not involve themselves in a situation in which they may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- e) They shall not achieve or attempt to achieve any undue gain or advantage either to themselves or to their relatives, partners or associates.
- f) They shall not assign their office as Director and any assignments so made shall be void.

In addition to the above requirements, the Board of Directors also expect Independent Directors to perform the following functions:

- a) Constructively challenge and help develop proposals on strategy for growth of the Company.
- b) Satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are effective and defensible.
- c) Take responsibility for the processes for accurately reporting on performance and the financial position of the Company.
- d) Keep Governance and Compliance with the applicable legislation and regulations under review and the conformity of Company's practices to accepted norms.

#### **Status of Appointment and Remuneration**

Independent Directors will not be employees of the Company and their appointment letter shall not constitute a contract of employment. They will be paid such remuneration by way of sitting fees for meetings of the Board and its Committees as may be decided by the Board. In addition to the sitting fees, commission that may be determined by the Board may also be payable to them.

#### **Training Program**

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 members of the Board.

#### **Disclosure of other directorships and business interests**

1. During the Term, the independent directors shall intimate the Company of any change in their directorships in any other companies and provide such other disclosures and information as may be required under the applicable laws. 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 Company.
2. During their Term, Independent Directors shall provide a declaration under Section 149(7) of the Companies Act, 2013 in the first meeting of board of directors in every financial year and the changes shall be intimated in the subsequent meeting of the Board upon such change

**Changes of personal details**

During the Term, Independent Directors shall promptly intimate the Company, of any change in address or other contact and personal details provided to the Company.

**Code of Conduct**

During the appointment, Independent Directors are required to comply with relevant regulations as contained in Schedule IV under Companies Act, 2013, including the Code of Conduct for Board of Directors and Senior Management,