

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTOR

1. Appointment:

Your appointment as a Non-Executive Independent Director is for a period of ____ years on the Board and as a member ____ Committees of SIPCOT. The tenure is subject to your meeting the criteria for being an Independent Director and not being disqualified to be a Director under the applicable regulations. Your appointment is also subject to the maximum permissible Directorships that one can hold as per the provisions of the Companies Act, 2013.

2. Remuneration:

You may be paid such remuneration by way of sitting fees of Rs.10,000/- per Meeting as per G.O.Ms.No.218, Finance (BPE) Dept, dt.19.07.2022 for attending the Meetings of the Board and its Committees. In addition, you are eligible for Travelling Allowance and Daily Allowance as permissible based on your official cadre for attending the Meetings.

3. Duties and Responsibilities:

Your role and duties will be those normally required of a Non-Executive Independent Director under the Companies Act, 2013. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and are as under:

I. You shall act in accordance with the Company's Articles of Association.

II. You 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.

III. You shall discharge your duties with due and reasonable care, skill and diligence.

IV. You shall not involve yourself in a situation in which you may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company. Please refer to clause 7 for full explanation on conflict of interest.

V. You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.

VI. You shall not assign your office as Director and any assignments so made shall be void.

The duties and responsibilities that come with your appointment would also be as per the applicable laws, Company policy and the Articles of Association of the Company.

4. Code of Conduct:

During the tenure of your appointment, you are required to comply with the code of conduct as per Schedule IV of the Companies Act, 2013.

You will apply the highest standards of confidentiality and not disclose to any person or company (whether during the course of the tenure as Independent Director or at any time after its cessation), any confidential information concerning the Company and any group Companies with which you come into contact by virtue of your position as a Director, except as permitted by law or with prior clearance from the Chairman.

5. Independence:

The Board of Directors of the Company inter alia has been given due consideration to your declaration of being qualified as "Independent" in accordance with the provisions of Companies Act, 2013. You are expected to continue to be qualified as "Independent" during your tenure and provide periodic declaration to the effect as required by regulations. You will be identified as "Independent Director" in the annual report and other documents and publications of the Company. If circumstances change and you believe it may not be possible for you

to retain your independence you should discuss this with the Chairman as soon as possible.

6. Role on the Board:

You are expected to provide your expertise in the area of Industrial infrastructure, project formulation and appraisal, investment, finance, economic and business policy, corporate governance and social contribution of business and in the functioning of the Board and the Committees of the Board.

You will be expected to attend Board, Board Committees and Shareholders meetings and to devote such time to your duties, as appropriate for you to discharge your duties effectively.

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.

7. Conflict of Interest:

It is accepted and acknowledged that you may have business interests other than those of the Company. As a condition to your appointment commencing, you are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of your appointment.

In the event that your 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 you are independent, this should be disclosed to the Chairman.

8. Disclosure of Interest:

The Company must 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 not later than when

the transaction or arrangement comes up at a Board meeting so that the minutes may record your interest appropriately and our records are updated. A general notice that you are interested in any contracts with a particular person, firm or company is acceptable.

You are further required to make disclosure of your interest as per the requirements of Section 184 of the Companies Act, 2013.

9. Disclosure of Changes:

During the term, you shall promptly intimate the Chairman and the Ministry of Corporate Affairs / Registrar of Companies in the prescribed manner, of any change in address or other contact and personal details provided to the Company.

10. Submission of Annual Declaration – Section 149(7):

You shall at the first meeting of the Board in which you participate as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect your status as an independent director, give a declaration that you meet the criteria of independence.

11. Termination:

Notwithstanding the other provisions of this letter, the appointment may be terminated at any time by a written notice of resignation or by the Company in accordance with the provisions of the law or by Government Order. It is desirable that the Company be given reasonable forewarning of any intention to resign so that the Company can plan for a successor with requisite skills and experience on the Board. Upon such termination or resignation for any reason, no damages shall be payable for any loss of office and no fee will be payable in respect of any unexpired portion of the term of the appointment.

12. General:

We are confident that the Board and the Company will benefit immensely from your rich experience and we are eager to have you as an integral part of the growth of our Company.

This letter and any non-contractual obligations arising out of or in connection with this letter are governed by, and shall be construed in accordance with the laws of India and subject to the exclusive jurisdiction of the Courts of India.