

ULTRACAB (INDIA) LIMITED

**TERMS AND CONDITIONS
OF APPOINTMENT OF INDEPENDENT
DIRECTOR**

(1)

As per schedule IV of Companies Act, 2013 companies are required to disclose on its website terms and conditions of appointment of Independent Director on the Broad.

In the light of the above regulatory provisions the terms and conditions covering the appointment of Independent Directors are set out as under:

1. APPOINTMENT:

Appointment is subject to section 149(6) & (7), 152, 160 of the Companies Act, 2013 read with Schedule IV of the Act and requirements of clause 49(II)(B) of the Listing Agreement. The appointment on the Board as Independent Director is for a period of five consecutive years, subject to approval of shareholders. Independent Directors will not be liable to retire by rotation. Appointment is subject to the Articles of Association and regulatory provisions of the law in force. The Independent Directors shall serve on one or more Committees of the Board as may be decided by the Board from time to time.

2. ROLE, DUTIES AND RESPONSIBILITIES:

The duties and liabilities that come with the appointment as Independent Director would be as per the applicable laws, the Articles of Association of the Company and the Code of Conduct.

As members of the Board, the Independent Directors along with the other Directors will collectively be responsible for meeting the objectives of the Board which include:

- requirements under the Companies Act, 2013 (the Act) and the Rules thereunder;
- responsibilities of the Board as outlined in Clause 49 of the Listing Agreement;
- accountability under the Directors' Responsibility Statement;
- overseeing the maintenance of high standards of the Company's values and ethical conduct of business;
- overseeing the Company's contribution towards sustainability and CSR;

(2)

The Independent Directors will disclose any direct or indirect interest which he/she may have in any matter being considered at a Board Meeting or Committee Meeting and, save as permitted under the Act and other applicable law, will not vote on any resolution of the Board, or its committees, on any matter where the Independent Directors has any direct or indirect interest.

The Independent Directors shall always strive to avoid the occurrence of any events specified under section 167 of the Act, which may result in vacation of office as Director and also to avoid incurring any disqualification specified in section 164. In the unfortunate event of such events / disqualifications getting attracted, the Independent Directors shall immediately intimate the Company of the same.

The Independent Directors will be expected to perform their fiduciary duties and responsibilities in a professional and faithful manner, so as to promote confidence of investment community, minority shareholders and regulators. They shall also abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Act.

The Independent Directors would continue to maintain the qualifications stipulated under the Act and the Listing Agreement with the Stock Exchanges for being eligible to continue as Independent Director during the term of office.

The Independent Director shall make a declaration that he meets the criteria of independence as provided in sub section 6 of section 149 at the time of his appointment and also at the first meeting of the Board in every financial year.

3. INDUCTION AND TRAINING:

The Company provides all new Directors with an induction which will include familiarization programme, including briefings from management and site visits.

The induction programme includes explaining their role, rights, responsibilities towards the Company, nature of the industry, business model of the Company, etc.

4. TIME COMMITMENT:

Considering the nature of the role of a Director, it is difficult for a Company to lay down specific parameters on time commitment. The Independent Directors agree to devote such time as is prudent and necessary for the proper performance of their role, duties and responsibilities as Independent Director and to assure the Company that they will be accessible whenever needed by the Company.

(3)

5. REMUNERATION AND EXPENSES:

The Independent Directors would receive a fee ('Sitting Fee') for attending meetings of the Board or Committees thereof. The quantum of Sitting Fee shall be such as is determined by the Board from time to time as per the recommendation of the Nomination and Remuneration Committee.

In addition to Sitting Fee, the Board may also approve payment of performance related commission, which would be within such limit as may be permissible under the Act and as may be approved by the members of the Company. They will be entitled to reimbursement of all expenses properly incurred for participating in the meetings of the Board, its Committees and other meetings.

The Independent Director shall not be entitled to any stock option and may receive remuneration only by way of fees and reimbursement of expenses for participation in meetings of the Board or committee thereof.

6. INDEPENDENCE AND INTERESTS:

At the first meeting of the Board in which he 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 his status as a Independent Director, give declaration that he meets the criteria as provided in Section 149(6) of the Act.

To give the disclosure of interest under section 184(1) of the Act, as for avoiding the aforesaid events of disqualification.

Every Independent Director shall also notify his appointment or relinquishment of office as a director in other companies within a period of 30 days of such event taking place.

7. CONFIDENTIALITY:

All information acquired by the Independent Directors during their term(s) of serving as a Independent Director, which is confidential about the Company they should not communicate, release, or disclose either during the appointment or thereafter, to third parties without the prior clearance of the Board of the Company.

(4)

The Independent Directors shall receive, hold and retain Company's information under secured conditions and to take appropriate steps to maintain strict confidentiality thereof.

This restriction shall cease to apply to any confidential information which may become available to the public generally.

8. PRICE SENSITIVE INFORMATION AND DEALING IN THE COMPANY'S SECURITIES:

During the period of appointment, the Independent Directors is required to comply with obligations under the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the 'Code for Prevention of Insider Trading in the Securities' as amended from time to time.

9. INDUCTION AND DEVELOPMENT:

The Company will brief the Independent Directors from time to time on all business related matters, risk assessment and minimization procedures, and proposed new initiatives. They will also be regularly updated regarding changes/developments in the domestic and global corporate/industry scenario including statutes, legislation and economic environment.

10. PERFORMANCE EVALUATION PROCESS:

Performance of the Independent Directors on the Board of the Company and at Committee will be evaluated annually as prescribed under Companies Act, 2013. On the basis of such evaluation results extension of term of the Independent Directors will be decided accordingly. The criteria for evaluation will be determined by the Nomination and Remuneration Committee of the Board. The criteria and manner of evaluation will be disclosed in the Company's Board/Annual Report as required under Companies Act, 2013 and in the revised Clause 49 of the Listing Agreement.

(5)

11. PREMATURE CONCLUSION OF TERM OF APPOINTMENT:

Independent Director may resign from the directorship of the Company by giving a notice in writing to the Company stating the reasons for resignation and the notice shall take effect from the date on which the notice is received by the Company or the date, if any specified by him in the notice whichever is later, his directorship on the Board of the Company shall cease in accordance with law.

The Company may disengage Independent Directors prior to completion of Term (subject to compliance of relevant provisions of the 2013 Act) upon:

- violation of any provision of Independent Directors code of conduct as per Schedule IV of Companies Act, 2013; and
- on the event of director failing to meet the criteria for independence as envisaged in Section 149(6) of the 2013 Act.
- he have vacated the office on the grounds as specified under section 167 of the Act.

In addition to what is stated above, continuation of the contract of appointment of an Independent Director is also contingent on the satisfactory performance as Independent Director and is subject to applicable law.

12. EXTENSION OF EXISTING TERM:

Upon the expiry of the present term, and subject to the Independent Director's eligibility under the relevant provisions of the Act, Rules, Listing Agreement and other applicable law(s), as prevailing from time to time, the Board may, at its discretion and subject to the outcome of performance evaluation carried out by Nomination and Remuneration Committee, recommend to the shareholders for extension or renewal of the Independent Director's existing term for a further term up to five years.

13. AMENDMENT:

This is document is a live document of the Company. The terms in it may be reviewed, amended or modified by the Company's Board of Directors as and when required or deemed necessary.
