

## **TERMS & CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS**

### **1. Appointment**

**1.1.** An individual proposed to be appointed as Independent Director on the Board of JK Urbanscapes Developers Limited shall be appointed on the terms and conditions in compliance with the provisions of the Companies Act, 2013 and the rules and regulations thereto.

**1.2.** During the term of the appointment, the Independent Director shall not be liable to retire by rotation.

### **2. Membership / Chairmanship of Committee**

In compliance with the applicable provisions of the Companies Act, 2013 the Board has constituted various committees and, from time to time, the Independent Director(s) may be recommended for appointment on the Board Committees.

Any change impacting the role on the Board committees shall be duly communicated to the director alongwith the updated charters of all the Board committees, detailing roles, responsibilities, powers etc.

### **3. Professional Conduct**

As an Independent Director of the Company, they shall:

- i. uphold ethical standards of integrity and probity;
- ii. act objectively and constructively while exercising their duties
- iii. exercise their responsibilities in a bonafide manner in the interest of the Company
- iv. devote sufficient time and attention to their professional obligations for informed and balanced decision-making
- v. not allow any extraneous considerations that may vitiate their exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision-making;
- vi. not abuse their position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person
- vii. refrain from any action that could lead to a loss of the independence status;
- viii. ensure that if circumstances arise under which they may lose their independence status, they shall immediately inform the Board accordingly;
- ix. assist the Company in implementing the best corporate governance practices.

### **4. Duties as a Director of the Company**

The Companies Act, 2013 has prescribed certain duties for directors, which are fiduciary in nature. Accordingly, as a Director of the Company, they shall:

- i. act in accordance with the Company's Articles of Association

- ii. 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 interests of the Company, its employees, the shareholders, the community and for the protection of environment;
- iii. discharge duties with due and reasonable care, skill and diligence and shall exercise independent judgment;
- iv. not be involved in situations of conflicts or possible conflicts with the interest of the Company. Please refer to clause 10 for full explanation on conflict of interest; not achieve or attempt to achieve any undue gain or advantage either to self or their relatives, partners or associates;
- v. not assign their office as Director and any assignment so made shall be void.

## **5. Responsibility, Role and function**

### **5.1 Responsibilities:**

As an Independent Director of the Company they will have the same responsibilities as that of any other directors of the Company. The Board of the Company as a whole is collectively responsible to provide direction and supervision to the Company.

### **5.2 Role as an Independent Director**

As an independent director, they shall:

- i. help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct ;
- ii. bring an objective view in the evaluation of the performance of board and management;
- iii. scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- iv. satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- v. safeguard the interests of all stakeholders, particularly the minority shareholders;
- vi. balance the conflicting interest of the stakeholders;
- vii. determine appropriate levels of remuneration of executive directors, key managerial personnel and have a prime role in appointing and where necessary recommend removal of executive directors and key managerial personnel;
- viii. moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

### **5.3 Duties**

As an independent director, they shall:

- i. undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- ii. seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
- iii. strive to attend all meetings of the Board of Directors and of the Board committees of which they are a chairperson or member;
- iv. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- v. strive to attend the general meetings of the company;

- vi. where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- vii. keep themselves well informed about the company and the external environment in which it operates;
- viii. not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- ix. pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;
- x. ascertain and ensure that the company has an adequate and functional vigil mechanism, if any, and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- xi. report concerns about unethical behaviour, actual or suspected fraud or violation of the code of conduct or ethics policy, if any;
- xii. acting within their authority, assist in protecting the legitimate interests of the company, shareholders and the employees;
- xiii. not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

## **6. Time commitment**

They will devote such time to the affairs of the Company as is required for discharging their duties as member of the Board and Committee(s).

## **7. Remuneration**

The Company do not pay any remuneration to Independent Directors. The Independent directors are entitled to sitting fee as may be decided by the Board of Directors from time to time. All reasonable incidental expenses incurred for official purposes shall be reimbursed by the Company. Their remuneration shall be governed by Policy on Payment to Independent Directors.

## **8. Performance Evaluation**

Their appointment and re-appointment on the Board shall be subject to the outcome of the annual performance evaluation process. The Board (or a Committee duly authorized by the Board) shall carry out an evaluation of the performance as per the approved framework evaluation on an annual basis.

## **9. Conflict of Interest and disclosure**

It is accepted and acknowledged that they may have business interests other than those in the Company. As a condition to the appointment, they are required to declare all such directorships, appointments and interests to the Board in writing in the prescribed form annually and as and when there is any change. The Company Secretary shall be available to assist them in making these disclosures in a timely manner.

In the event, that their circumstances seem likely to change and might give rise to a conflict of interest or a change which impacts their independence as an Independent Director of the Company, they shall intimate to the Board.

## **10. Disclosure of Interest**

The Company is required to 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 our records are updated. A general notice that they are interested in any contracts with a particular person, firm or company is acceptable.

## **11. Confidentiality**

**11.1** All information that is sent to the Independent Director (excepting public disclosures) shall be treated as confidential and should not be disclosed or released to any third party either during their tenure or later without preclearance in writing from Board unless required by law or by any regulatory authority. The Company also expect even if disclosed with appropriate consent, that such third party be bound by the same terms of confidentiality.

**11.2** In the course of their duties, they will be privy to price sensitive information and data, forecasts and plans. It is prudent for them to avoid making any statement or disclosing information in breach of the guidelines, regulations and applicable code of conduct.

## **12. Conclusion of appointment/ termination**

**12.1** Their tenure on the Board shall be in accordance with the policy on appointment of Independent Directors adopted by the Board from time to time and on such terms as approved by the shareholders of the Company.

**12.2** They may resign from their position at any time and should they wish to do so, they are requested to serve a reasonable written notice on the Board.

**12.3** Continuation of their appointment is contingent on their 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. They will not be entitled to compensation if the shareholders do not re-elect them at any time.

**12.4** Their appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company for the time being in force.

**12.5** On the conclusion of their tenure, they will return any property and assets of the Company in their possession including information and data. They will also not retain any copy of the information and data unless approved in writing by the Chairman/ Company Secretary of the Company.

## **13. Publication of the terms & conditions**

In accordance with Schedule IV of the Companies Act 2013, the Company will disclose the terms and conditions of the appointment on the website of the Company, if any.

## **14. Miscellaneous**

**14.1** This annexure forms the terms of their appointment as an Independent Director of the Company. This annexure / letter is not a contract for service or employment and they will not be entitled to any compensation for loss of office.

**14.2** The terms of their appointment are subject to the provisions of the Companies Act, 2013, Articles of Association of the Company and other laws as may be applicable from time to time. In case of any inconsistency between the statutory provisions and as provided herein, the statutory provisions will prevail over the contents of this and the terms of this annexure shall stand amended automatically to that extent.

**14.3** Their terms of appointment including the terms contained in this letter herein are governed by the Indian Laws and accordingly shall be subject to the exclusive jurisdiction of the courts in Delhi.