

Terms and Conditions of appointment of Independent Directors of the Company in accordance with the requirements of Schedule IV to the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

1. Terms of Appointment:

Independent Director is appointed as a Non-Executive Independent Director on the Board of Directors of the Company for a term of 5 years unless terminated earlier or extended, as per the applicable laws ("Term"). Independent Director will not be liable to retire by rotation.

2. Board committees

2.1. As advised by the Board, during the tenure of office, Independent Director may be required to serve on one or more of the Committees of the Board established by the Company. Upon their appointment to any one or more Committees, they will be provided with the appropriate Committee charter which sets out the functions of that Committee.

2.2. Currently, the Board has five committees:

1. Audit Committee,
2. Nominations and Remuneration Committee (NRC),
3. Stakeholders Relationship Committee (SRC),
4. Risk Management Committee (RMC) and
5. Corporate Social Responsibility (CSR) Committee.

The Board is responsible for constituting, assigning, co-opting and fixing terms of service for committee members. The chairperson of the Board, in consultation with the company secretary and the committee chairperson, determines the frequency and duration of the committee meetings. Normally, the committees meet four times a year. Recommendations of the committees are submitted to the full Board for approval.

3. Training and Development:

- 3.1 The Independent Director will be invited to attend ongoing training and familiarization sessions for Directors including site visits.
- 3.2 The Board members are provided with necessary documents / brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices.
- 3.3 Periodic presentations are made at the Board and Board Committee meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved.
- 3.4 Quarterly updates on relevant statutory changes and landmark judicial pronouncements encompassing important laws are regularly circulated to Directors.

4. Professional Conduct

An Independent Director, shall abide by the professional conduct or code of conduct as prescribed in the Schedule IV of the Companies Act, 2013 which is enclosed herewith. The Independent Director will be required to comply with applicable provisions of any code of conduct framed by the Board of Directors of the Company.

5. Responsibilities

Independent directors have the same general legal responsibilities to the Company as that of any other director. The Board, as a whole, is collectively responsible for ensuring the success of the Company by directing and supervising the Company's affairs.



The Independent Director will be held liable only in respect of such acts of omission or commission by the Company which have occurred with his knowledge, attributable through Board processes, and with his consent or where he has not acted diligently.

6. Remuneration/Compensation/fees:

A sitting fee will be paid for attending each meeting of the board as well as the other committee meetings attended, as per the provisions of Section 197 of the Act 2013 and the Articles of Association of the Company, as fixed by the board from time to time;

The Independent Director will be entitled to claim reimbursement of all his/ her travelling, hotel and other incidental expenses incurred by him/ her in performance of duties as director of the Company, as per the provisions of the Act 2013.

7. D & O Insurance

The Company has Directors' and Officers' ("D&O") liability insurance and it is intended to maintain such cover for the full term of the Appointment. The Independent Director may obtain details of such insurance from the Company Secretary.

8. Term

Subject to applicable law, independent directors are eligible to serve for a period of two terms of 5 years each or up to the age of retirement (75 years) whichever is earlier.

9. Restrictions/Memberships of other boards

During the term of Appointment, the Independent Directors are expected not to take up directorship in any company (whether in India or abroad) engaged in the same or similar businesses as that of the Company or in a company, business or Terms and conditions of appointment of the Independent Directors undertaking which competes or is likely to compete with the Company or which could otherwise potentially give rise to a conflict with his duties with the Company.

Apart from this there are following additional restrictions on Independent Director as per Regulation 17A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(1) A person shall not be a director in more than eight listed entities with effect from April 1, 2019 and in not more than seven listed entities with effect from April 1, 2020:

Provided that a person shall not serve as an independent director in more than seven listed entities.

(2) Notwithstanding the above, any person who is serving as a whole time director / managing director in any listed entity shall serve as an independent director in not more than **three listed entities.**

10. Information on meetings

10.1. Generally, the Board meetings are held at the Company's Registered Office at Jalgaon. The Chairman of the Board and the Company Secretary, in consultation with the Chief Financial Officer (CFO) draft the agenda for each meeting, along with explanatory notes, and distribute it in advance to the Board members. Every Board member is free to suggest the inclusion of items on the agenda. Normally, the Board meets once a quarter to review the quarterly results and other items on the agenda. The Board also meets during the annual shareholders' meeting. Additional meetings are held based on need.



The Board, being represented by non-executive/independent directors from various parts of the globe, it may not be possible for each one of them to be physically present at all the Board meetings. The Company provides video / teleconference facilities to facilitate participation.

10.2. Availability of information to the Board

The Board has full and unfettered access to any information of the Company, and to any employee of the Company. At Board meetings, the Board invites managers of the Company when additional details into the items being discussed are required.

11. Independent directors' discussion

The Board's policy is to have regular "independent directors only" meetings so that they can have a full and frank discussion on the performance of the Company, risks faced by the Company, and the performance of executive members of the Board including the chairperson. The Lead Independent Director presides over such meetings and may invite the chairman, any executive director and any senior management personnel to make presentations on relevant issues.

12. Mechanism for evaluating Board members

The Chairperson of the Nominations and Remuneration Committee conducts an annual Board evaluation and a peer evaluation survey to assess the performance of the Board as a whole and that of individual Board members. Performance is assessed based on clearly defined objective criteria. This is in line with the Company's policy of being data-oriented in every transaction and decision. Performance is measured against commitments and best-in-class benchmarks.

12.1. Independent Board Members

Each Board member makes a presentation to the Board highlighting his or her contributions and thought leadership initiatives pursued during the year. The evaluation is done on a three-point scale. Independent directors have three key roles — Governance, Control and Guidance. Some of the performance indicators based on which the independent directors are evaluated are:

- (a) Ability to contribute to and monitor our corporate governance practices;
- (b) Ability to contribute by introducing international best practices to address top-management issues;
- (c) Active participation in long-term strategic planning;
- (d) Commitment to the fulfilment of a director's obligations; and
- (e) Fiduciary responsibilities.

13. Retirement policy

The age of retirement for an independent directors is 70 years. The Nominations and Remuneration Committee may, at its discretion, determine continuation of an independent director upon superannuation /retirement.

14. Dealing in shares and Code of Conduct

14.1 Directors are prohibited from dealing in the Company's shares during the period when the trading window is closed. Further, directors, being designated officers of the Company for the purpose of insider trading guidelines, are to pre-clear all trades (buy/sell/gift) from the Compliance Officer. Independent Director is required to comply with the applicable insider trading laws and regulations. Independent Director is also required to comply with the Company's Code of Conduct and Ethics, enclosed with this letter of appointment.



The time for commencement of closing of trading window shall be decided by the Company. The trading window shall be opened 48 hours after the information referred to above is made public.

14.2 During the term of Appointment, (a) he will neither enter into any agreement for himself or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the shares of the Company; and (b) he will not enter into any such agreement referred to in (a) above without obtaining the prior approval from the Board of Directors as well as public shareholders of the Company by way of an ordinary resolution.

15. Corporate calendar

The corporate calendar and the Board meeting dates shall be intimated in advance from time to time.

16. Time Commitment:

By accepting the Appointment the Independent Director confirms that he will be able to allocate sufficient time to perform his duties as a director and attend meetings of the Board or any committee thereof. In addition to such attendances, he will be expected to devote appropriate preparation time ahead of each meeting.

It will be a pleasure to have you on board. We are confident that your association, expertise and advice will immensely benefit the Company and the Board.

17. Confidentiality:

The Independent Director agrees that both during and after the term of Appointment, he will not use for his own, or for another's benefit, or disclose or permit the disclosure of any confidential information relating to the Company, subsidiary or any group or associate companies of the Company, which he may acquire by virtue of his position as an independent director, including without limitation, any information about the deliberations of the Board. The restriction shall cease to apply to any confidential information which may (other than by reason of the director's breach of this term), become available to the public generally.

18. Indemnity:

The directors are granted an indemnity from the Company in respect of liabilities incurred as a result of their office, to the extent permitted by law.

19: Publication of Letter:

In line with the provisions of Schedule IV to the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the letter of appointment will be open for inspection by any member and the Company will also post the terms and conditions of the appointment on the Company's website www.jains.com.

20. Governing Law:

The Appointment and the terms are governed by the laws of India.

