



INDIA PESTICIDES LIMITED

Terms for Appointment of Independent Director

Policy

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Document Control Log

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1. CRITERIA FOR APPOINTMENT AND REMUNERATION

a) Appointment and reappointment and determination of remuneration shall be subject to:-

- (i)** Satisfaction of criteria as mentioned in Companies Act 2013 (“Companies Act”)
- (ii)** Policy formulated by the Nomination and Remuneration Committee (“NRC”) of the Company for the same
- (iii)** Approval of Board of Directors (“Board”) of the Company and members of the Company

b) Remuneration

The remuneration shall be paid by way of sitting fee for attending meetings of the Board and its Committees as may be decided by the Board from time to time.

In addition to above, they will also be entitled for reimbursement of travel, hotel and other incidental expenses incurred in the performance of their role and duties.

2. TENURE

Independent directors shall be appointed for a maximum period of 5 consecutive years on the Board of the Company

3. BOARD COMMITTEES:

During the tenure of office, the members may be requested to serve on one or more Committees of the Board and in the event of acceptance of such request(s) they will be provided with the relevant Committee’s terms of reference and specific responsibilities.

4. ROLE, DUTIES AND RESPONSIBILITIES:

The role and duties will be those as required under the Companies Act which shall inter-alia include:

- a) To 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;
- b) To scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- c) To safeguard the interests of all stakeholders, particularly the minority shareholders;
- d) To act in accordance with the Company's Articles of Association.
- e) To act in good faith, in order to promote objectives of the Company in the best interests of the Company, its employees, the Shareholders and the community.
- f) To discharge duties with due and reasonable care and diligence, skill and diligence and exercise independent judgment.
- g) Not to achieve or attempt to achieve any undue gain or advantage either for themselves or for their relatives, partners or associates.
- h) Not to assign their office as Director and such assignment, if occurs, shall be void.

5. LIABILITY:

The liability that devolves pursuant to the appointments would be as per the applicable laws and Articles of Association of the Company.

**6. CONFLICT OF INTEREST:**

During the term, they are required to promptly notify any change in their Directorships, appointments and interest in any manner whatsoever. In the event that circumstances seem likely to change and could give rise to a conflict of interest or, when applicable, circumstances that lead the Board to revise its judgment on their independence, the same should be disclosed to the Chairman of the Company.

7. EVALUATION PROCESSES:

The performance evaluation shall be done by the entire Board of Director annually. They will participate in reviewing the performance of the Board as a whole and the other Directors on annual basis.

8. CODE OF CONDUCT:

During the tenure as Independent Director, they are required to comply with the Code of Conduct as provided in Schedule IV to the Companies Act. They are also requested to give a declaration that they will meet the criteria of 'independence' at the first meeting of the Board in every financial year pursuant to the provisions of Section 149(7) of the Companies Act. They are also required to abide by Company's Code of Conduct for Directors and Principal executives.

9. CONFIDENTIALITY:

All information acquired during the tenure is confidential to the Company and shall not be released, either during the appointment or following termination (by whatever means) to third parties without prior clearance from the Chairman, unless required by law or by the rules of any Stock Exchange or any regulatory body.

10. RESIGNATION OR REMOVAL:

The resignation or removal of an Independent Director shall be in the manner as provided under Sections 168 and 169 of the Companies Act.



11. DISCLOSURES, OTHER REQUIREMENTS AND BUSINESS REQUIREMENTS:

During the Term, they agree to promptly notify the Company of any change in their directorships, Memberships and provide such other disclosures and information as may be required under the applicable laws. They also agree that upon becoming aware of any potential conflict of interest with their position as Independent Director of the Company, they shall promptly disclose the same to the Chairman and the Company Secretary. During their Term, they agree to promptly provide a declaration under Section 149(7) of the Companies Act, upon any change in circumstances which may affect their status as an Independent Director.

12. REVIEW OF PERFORMANCE BY NOMINATION AND REMUNERATION COMMITTEE AND BOARD OF DIRECTORS OF COMPANY:

Performance of Independent Directors shall be evaluated as per the evaluation criteria laid down by the NRC and such evaluation will be done by the entire Board of the Company excluding the director being evaluated.

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