

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

Pursuant to declarations received under Section 149(6) of Companies Act, 2013 and based on the recommendation of Nomination and Remuneration Committee, the Board and the Shareholders have approved the appointment of following Directors as Independent Directors.

The terms and conditions of appointment of the following Independent Directors are subject to the extant provisions of the (i) applicable laws, including the Companies Act, 2013 ('2013 Act') and Clause 49 of the Listing Agreement (as amended from time to time) and (ii) Articles of Association of the Company

Sl. No.	Name of Independent Director	With effect from	To
1.	Ms. Sujata Chattopadhyay	September 21, 2018	Till conclusion of 90th AGM to be held in the year 2023
2.	Mr. Venkatesan Narayanan	September 21, 2019	Re-appointed for a second term of five consecutive till the conclusion of 91st AGM to be held in the year 2024
2.	Mr. Milind S. Desai	September 21, 2019	Till conclusion of 90th AGM to be held in the year 2023.

The broad terms and conditions of their appointments as Independent Directors of the Company are reproduced hereunder:

1. Appointment

The appointment will be for the period mentioned against their respective names ("Term"). The Company may disengage Independent Directors prior to completion of the Term subject to compliance of relevant provisions of the 2013 Act.

As Independent Directors, they will not be liable to retire by rotation.

Reappointment at the end of the Term shall be based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Board and the shareholders. The reappointment would be considered by the Board based on the outcome of the performance evaluation process and the directors continuing to meet the independence criteria.

The directors may be requested to be a member / Chairman of any one or more Committees of the Board which may be constituted from time to time.

2. Role and Duties

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

- I. They shall act in accordance with the Company's Articles of Association.
- II. They 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. They shall discharge their duties with due and reasonable care, skill and diligence.

- IV. They shall not involve themselves in a situation in which they may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- V. They shall not achieve or attempt to achieve any undue gain or advantage either to themselves or to their relatives, partners or associates.
- VI. They shall not assign their office as Director and any assignments so made shall be void.

In addition to the above requirements applicable to all Directors, Non-Executive Director:

- i) Should constructively challenge and help develop proposals on strategy;
- ii) Should scrutinise the performance of management in meeting agreed goals and objectives;
- iii) Should satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are robust and defensible;
- iv) Are responsible for determining appropriate levels of remuneration of Executive Directors and have a prime role in appointing, and where necessary, removing Executive Directors and in succession planning;
- v) Should take responsibility for the processes for accurately reporting on performance and the financial position of Industrial Investment Trust Limited; and
- vi) Should keep governance and compliance with the applicable legislation and regulations under review and the conformity of Industrial Investment Trust Limited practices to accepted norms.

3. Status of Appointment

3.1 They will not be an employee of the Company. They will be paid such remuneration by way of sitting fees for meetings of the Board and its Committees as may be decided by the Board and approved by the Shareholders from time to time. Further, they may be paid remuneration by way of commission as may be approved by the Board and the Shareholders from time to time.

4. Reimbursement of Expenses

In addition to the remuneration described in paragraph 5 the Company may, for the period of appointment of Independent Directors, reimburse them for travel, hotel and other incidental expenses incurred by them in the performance of their role and duties.

5. Conflict of Interest

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

5.2 In the event that their 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 they are independent, this should be disclosed to the Chairman of the Company.

6. Confidentiality

All information acquired during their appointment is confidential to Industrial Investment Trust Limited and should not be released, either during their 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 regulatory body.

Their attention is also drawn to the requirements under the applicable regulations and the Industrial Investment Trust Limited's Code of Insider Trading which concern the disclosure of price sensitive information and dealing in the securities of Industrial Investment Trust Limited. Consequently they should avoid making any statements or performing any transactions that might risk a breach of these requirements without prior clearance from the Chairman.

7. Evaluation

The Company will follow the following Evaluation mechanism:

- 7.1 Based on the evaluation and recommendation by the Nomination and Remuneration Committee, the Company will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors on an annual basis.
- 7.2 On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment as an Independent Director.

8. Insurance

Industrial Investment Trust Limited has Directors' and Officers' liability insurance and it is intended that Industrial Investment Trust Limited will assume and maintain such cover for the full term of their appointment.

9. Independent Professional Advice

There may be occasions when they consider that they need professional advice in furtherance of their duties as a Director and it will be appropriate for them to consult independent advisers at the Company's expense. The Company will reimburse the full cost of expenditure incurred in accordance with the Company's policy.

10. 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 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. Code for Independent Directors, Code of Conduct for Directors and Code of Conduct for Prevention of Insider Trading

They are required to abide by the Code for Independent Directors, Code of Conduct for Directors and Code of Conduct for Prevention of Insider Trading, as issued by the Company.

12. Termination

- a. 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.
- b. 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.