

Rane Group



Terms and Conditions of appointment of Independent Director

Applicable to:

Rane Holdings Limited

CIN L35999TN1936PLC002202

Rane (Madras) Limited

CIN L65993TN2004PLC052856

*(Collectively known as "Rane Group of Companies" and
Individually referred to as "the Company")*

Regd. Office: " MAITHRI "

132, Cathedral Road

Chennai - 600 086

Website : www.ranegroup.com

e-mail: investorservices@ranegroup.com

Terms and conditions of appointment of Independent Director

The terms and conditions of appointment of independent director are given hereunder:

1 Appointment

- 1.1 The appointment as independent director is based on the confirmation received from a director under section 149(6) of the Companies Act, 2013 (CA 2013) and Regulation 25 of SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 (SEBI LODR). The term "Independent Director" shall be construed in accordance with the CA 2013 and SEBI LODR, as amended from time to time.
- 1.2 The appointment is subject to maximum permissible term and directorships as per the provisions of Companies Act, 2013 and Regulation of SEBI LODR. Accordingly, appointment as director will be for a maximum of two consecutive terms. Each term may consist of a maximum of five years per term, as may be decided by the board
- 1.3 The Company's policy on appointment of directors is in accordance with the provisions of CA 2013 and SEBI LODR.
- 1.4 The appointment shall be in conformity with the Company's policy on appointment of independent directors is in accordance with the relevant provisions of Companies Act, 2013 and applicable regulations of SEBI LODR..
- 1.5 An independent director, shall not be liable to retire by rotation.
- 1.6 At any point of time the Company may decide to disengage the services of independent directors before end of the current term subject to compliance with relevant provisions of Companies Act, 2013.

2 Membership in committees

- 2.1 The Board may invite a director to join any committee of the Board, from time to time.
- 2.2 Appointment to such committees will be governed by provisions relating to number of committee memberships / chairmanships a director can hold, as per the relevant regulations of SEBI LODR.

3 Resource allocation

- 3.1 The Company would be sharing with directors the annual calendar of board / committee meetings in advance, at the beginning of every calendar year.
- 3.2 The Board is scheduled to meet minimum five times during the year and the Audit Committee meetings are scheduled once in every quarter, aggregating to four meetings in a year. Additional meetings of the board / committee of the board would be scheduled as may be required.

- 3.3 The Company values effective participation in all the board / committee meetings.
- 3.4 The Company expects directors to bring independent judgement on board's deliberations viz., strategy, performance, risk management, board disclosures, key appointments and standards of conduct.
- 3.5 The Company understands that, by accepting this appointment, a director would be allocating sufficient time in fulfilling the role as independent director.

4 Role and Responsibilities

- 4.1 Role and responsibilities are as per the requirements of the Companies Act, 2013 and SEBI LODR.
- 4.2 The Company believes that, actions as independent director are:
- a) in accordance with the Memorandum and Articles of association
 - b) in good faith to promote the objects of the Company
 - c) intended to benefit the members of the Company
 - d) in the best interest of the Company
- 4.3 While discharging their duties, the independent director is expected to exercise due and reasonable care, diligence and skill.
- 4.4 A director is expected not to be involved in a situation in which he/she may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- 4.5 It is expected that a director would not achieve or attempt to achieve any undue gain or advantage either to self or to the relatives, partners or associates.
- 4.6 A director shall not assign the office and any assignments so made shall be void.
- 4.7 A director is required to advise the Company Secretary promptly of any change in address or other personal contact details, for updating the Company records.

5 Code of conduct

- 5.1 The director is expected to adhere to the code of conduct of the Company enshrined in Schedule IV to the Companies Act, 2013 and all applicable policy documents of the company including,
- (a) COMPASS – The Ethical Standards of Behaviour and
 - (b) Code to Regulate, Monitor and Report Trading by Insiders and Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

6 Remuneration

- 6.1 A director will not be an employee of the Company and this letter shall not constitute a contract, of employment.

6.2 A director 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 from time to time.

6.3 The Board reserves the right to amend or modify the above remuneration structure, from time to time, in accordance with the provisions of Companies Act, 2013 and rules framed thereunder.

6.4 During their tenure as an independent director, he/she shall be entitled for reimbursement of actual travel, accommodation and other incidental expense incurred by a director in attending the meetings of the Board and Committee or in the performance of role and duties.

7 Conflict of interest

7.1 In case a director has business interest other than those of the Company, he / she is required to declare any such interests, not limited to directorship or membership in any other companies, in the prescribed format as per the provisions of Companies Act, 2013 and rules framed thereunder.

7.2 In event of any change in the above position and / or any circumstance likely to affect the independence, he / she is required to disclose the same to the Board and ensure that the same is recorded in the immediately succeeding meeting of the Board.

8 Confidentiality

8.1 Any information that a director may acquire, receive or comes to the knowledge during tenure as independent director needs to be kept confidential in the interest of the Company, unless the disclosure is required by any law for the time being in force.

8.2 A director is required to

- a) ensure safe custody and return of all confidential documents, materials and other files made available to a director by the Company.
- b) not to enter into transactions relating to securities of the Company or any other transactions, except in accordance with the Company's policies governing such transactions.

9 Performance evaluation

9.1 In compliance with the provisions of Companies Act, 2013, rules framed thereunder and SEBI LODR, the evaluation of the Board as a whole, Committees of the Board and the directors shall be conducted on annual basis. A director is expected to participate and give an unbiased feedback during the evaluation process.

9.2 A director may please note that continuation or re-appointment as independent director, will be subject to the outcome of such evaluation.

10 Insurance

10.1 The Company would include the name in the Directors and officer's liability insurance. However, the extent of coverage of any liability and claim(s) of any expenditure incurred by a director, would be subject to the terms and conditions governing the policy from time to time.

11 External advice

11.1 During the course of appointment, if a director wishes to seek any external professional advice, a director may please seek the same in prior consultation with the Chairman on such matters.

11.2 The Company would reimburse the actual cost incurred for obtaining the professional advice, in accordance with Company's policy.

12 Foreclosure

12.1 A director may resign from the position at any time by serving a reasonable written notice on the Board.

12.2 Continuation of the appointment would be in accordance with the provisions of Companies Act, 2013, the rules made thereunder and regulations of Securities and Exchange Board of India, from time to time in force.

13 Applicable law

The above terms and conditions are governed by laws and regulations for the time being in force. Any interpretation thereof shall be in accordance with Indian law and subject to the jurisdiction of the Indian courts.