



Radico

Radico Khaitan Limited

Terms and conditions of Appointment of 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 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 Directors	Committees in which Member	From	To
1.	Mr. Sarvesh Srivastava	1. Audit Committee 2. Committee of Independent Directors 3. Stakeholders Relationship Committee	30.05.2014	30.05.2019
2.	Mr. Ashutosh Patra	1. Audit Committee 2. Corporate Social Responsibility Committee. 3. Committee of Independent Directors. 4. ESOP Compensation Committee 5. Finance Committee 6. Nomination and Remuneration Committee 7. Stakeholders Relationship Committee	30.09.2014	30.09.2019
3.	Mr. K.S. Mehta	1. Committee of Independent Directors. 2. ESOP Compensation Committee. 3. Nomination and Remuneration Committee.	30.09.2014	30.09.2019
4.	Dr. Raghupati Singhania	1. Audit Committee 2. Committee of Independent Directors. 3. Nomination and Remuneration Committee.	30.09.2014	30.09.2019

The broad terms 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") and shall not be eligible for re-appointment. The appointees will be reporting to the Board of Directors of the Company as the Non executive Independent Director of the Company for further directives, if any.

2. Responsibility:

- A. As members of the Board, the Independent Director along with the other Directors will be collectively responsible for meeting the objectives of the Board which include:
- Requirements under the Companies Act, 2013
 - Responsibilities of the Board” as outlined in the Corporate Governance requirements as prescribed by Stock Exchanges under Clause 49 of the Listing Agreement.
 - Accountability under the Director’s Responsibility Statement.
 - 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.
 - To exercise due and reasonable care, skill and diligence and exercise independent judgment.
 - Not to have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
 - Not to achieve or attempt to achieve any undue gain or advantage either to themselves or to their relatives, partners, or associates.
 - And other responsibilities as per their appointment in different committees of the Board.
- B. The Independent Directors shall abide by the ‘Code For Independent Directors’ as outlined in Schedule IV to section 149(8) of the 2013 Act, and duties of directors as provided in the 2013 Act (including Section 166).
- C. The Independent Directors are particularly requested to provide guidance in their area of expertise.

3. Duties and Liabilities:

- (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 you are a member;
- (iv) Participate constructively and actively in the committees of the Board in which you are chairperson or member;
- (v) Strive to attend the general meetings of the company;
- (vi) Wherever as Independent Directors 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 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 company's code of conduct or ethics policy;
- (xii) Act within their authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- (xiii) Do 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.

4. Code and Conduct :

- (i) Uphold ethical standards of integrity and probity;
- (ii) Act objectively and constructively while exercising their duties;
- (iii) Exercise responsibilities in a bona fide manner in the interest of the company;
- (iv) Devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- (v) Do not allow any extraneous considerations that will 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) Do 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 would lead to loss of their independence;
- (viii) Where circumstances arise which as an independent directors make them lose their independence, they must immediately inform the Board accordingly;
- (ix) Assist the company in implementing the best corporate governance practices.

5. Statutory Compliances:

- 5.1 The Company has relied on the declaration of the Independent Directors that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 (the "Act") as also in Clause 49 of the Listing Agreement with the Stock Exchanges.

- 5.2 The Independent Directors will be required to abide by the guidelines as to professional conduct for independent directors as set out in Section 149(8) read with Schedule IV to the Act.
- 5.3 The Independent Directors will be required to comply with applicable provisions of code of conduct framed by the Board for all Board members and Senior Management of the Company under Clause 49 of the Listing Agreement.
- 5.4 During the term of Appointment, an Independent Directors shall not serve as (a) an independent director in more than the prescribed number of listed companies and (b) a committee member of more than the prescribed number of committees (i.e. the Audit Committee and the Stakeholders' Relationship Committee) including chairmanship of such committees.
- 5.5 During the term of appointment, Independent Directors shall not indulge in forward dealings in securities of the Company which is prohibited under the Act. Directors are prohibited from dealing in the Company's securities during the period when the trading window is closed. They should not enter into insider trading and are expected to comply with the Company's code for securities dealing as well as with the concerned provisions of the Insider Trading Laws and Regulations.

6. Remuneration:

They will be entitled to sitting fees for attending the Board Meetings and Committee Meetings, as may be decided by the Board from time to time and conveyance expenses will also be paid.

7. Training and Development:

The Company will conduct formal training program for its Independent Directors and will invite Independent Directors for the same.

The Company may, as may be required will support Directors to continually update their skills and knowledge and improve their familiarity with the company and its business. The Company will fund/arrange for training on all matters which are common to the whole Board.

8. Evaluation Process:

The performance of individual directors shall be done by the entire Board, excluding the director being evaluated, on an annual basis.

9. Confidentiality:

Any confidential information which may come to their knowledge in the performance of their duties as a director of the Company must not be divulged, except so far as:

- (i) May be necessary in connection with the proper performance of their duties to the Company;
- (ii) The Company may from time to time authorise; OR
- (iii) They may be required by law to disclose; OR
- (iv) And that they will take all reasonable precautions as may be necessary to maintain the secrecy and confidentiality of all confidential information of the Company.

10. Insurance:

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

11. 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.

12. Vacation from office:

The office Independent Directors hold as a director becomes vacant as per the conditions and circumstances of Section 164 of the Companies Act, 2013 and such other reasons as Board feels justified.

13. Authority:

The letter of appointment will be issued under the authority of the Board.

Yours faithfully,
For Radico Khaitan Ltd.

Sd/-

Amit Manchanda
Group Head – Legal &
Company Secretary