

## **Synopsis of terms and conditions of appointment of Independent Directors of Ushakiran Finance Limited**

**(1) Period of Appointment: 5 (Five) Years**

- Subject to Members' approval at the Annual General Meeting of the Company, the term of appointment of Independent Directors of the Company is for a period of 5 consecutive from the date of their being appointed or designated as such on the Board of the Company.

**(2) Role and functions:** The role and functions of Independent Directors in the Board shall comprise of the following:

- 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 bring an objective view in the evaluation of the performance of board and management;
- c. To scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- d. To satisfy him/her on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- e. To safeguard the interests of all stakeholders, particularly the minority shareholders;
- f. To balance the conflicting interest of the stakeholders;
- g. To determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary, recommend removal of executive directors, key managerial personnel and senior management;
- h. Moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

**(3)** Independent Directors shall be taking sufficient care to perform duties specified in the Code for Independent Directors under Schedule IV of the Companies Act, 2013 and clause 49 of the listing agreement (including any modification or reenactment of the same) that come with such an appointment along-with accompanying liabilities.

**(4)** Independent Directors shall abide by the Code of Conduct as laid down by the Company or any amendment thereof and the Code of Business Ethics as may be formulated by the Board that the Company expects its directors and employees to follow.

**(5)** Independent Directors shall follow the professional conduct as an Independent Director of the Company as indicated below:

- a. Uphold ethical standards of integrity and probity;
- b. Exercise his/her responsibility in a bona fide manner in the interest of the Company;
- c. Refrain from any action that would lead to loss of independence;
- d. Assist the company in implementing the best corporate governance practices.

**(6)** Independent Directors shall be paid fees for participating in the Board meeting or for any other purpose whatsoever as may be decided by the Board from time to time.

**(7)** Independent Directors shall be entitled to profit related commission as may be decided by the Board from time to time in accordance with approval given by the members of the Company.

**(8)** Independent Directors shall give annual declaration as required under the provision of Section 149 (7) of the Companies Act, 2013 and the rules made thereunder.

**(9)** Independent Directors shall not serve as an Independent Director in more than 7 listed Companies or such increased or decreased limit as may be specified in future under clause 49 of the listing agreement. However, if Independent Directors are serving as a whole time director in any listed company, they shall not serve as Independent Directors in more than three listed companies.

**(10)** Independent Directors shall not disclose the information acquired during his/her period of appointment as an Independent Director which are confidential to the Company and should not be disclosed either during his / her period of appointment or following termination (by whatever means) to third parties except as permitted by law and with prior approval of the Company.