

## **COMMON TERMS & CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS**

The term 'Independent Director' should be construed as defined under the Companies Act, 2013 and the SEBI Listing Regulations as amended time to time.

The Board of NEEPCO has also constituted Board Level Committees as required under statutory regulations & guidelines and to facilitate the smooth & efficient flow of decision making process. The Independent Director may be inducted to serve as Chairperson/ Member on any of the said Committees or any of other Committee(s) as may be constituted from time to time. Their appointment on such Committee(s) shall be subject to applicable law.

### **FUNCTIONS, RESPONSIBILITY AND DUTIES**

The role, functions and duties shall be those as are required of an Independent Director under applicable provisions of the Companies Act, 2013 and the rules made there under and the SEBI Listing Regulations as amended from time to time.

Further, in terms of Section 166 of the Companies Act, 2013, they shall

- i) act in accordance with the Company's Articles of Association.
- ii) 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, its employees, the shareholders, the community and for the protection of environment.
- iii) exercise their duties with due and reasonable care, skill and diligence.
- iv) 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) not achieve or attempt to achieve any undue gain or advantage either to themselves or to their relatives, partners or associates.
- vi) not assign their office as Director and any assignments so made shall be void.

### **Remuneration and Reimbursement of Expenses**

The Independent Directors shall be paid such remuneration by way of sitting fees for attending meetings of the Board and its Committees as may be decided by the Board from time to time in compliance with applicable law.

The sitting fees presently being paid to the Independent Directors is ₹ 30,000/- per meeting of the Board or any Committee thereof.

**Conflict of Interest:**

It is accepted and acknowledged that Independent Directors may have business interests other than those of the Company. As a condition precedent to commencement of their appointment, they are required to declare to the Company any such directorships, appointments and interests to the Board. Thereafter, they are required to declare to the Company whenever there is any change in the circumstances which may affect their status as an independent director.

At the first meeting of the Board in which they participate as an independent director and thereafter, at the first meeting of the Board in every financial year or whenever there is any change in the circumstances, which may be affect his/her status as an independent director, they are required to give a declaration that they meet the criteria of independence.

**Confidentiality:**

All information in relation to the Company acquired during their appointment and tenure as an independent director is confidential and should not be disclosed to third parties unless required by law.

**Miscellaneous:**

The appointment of the Independent Directors shall be at the pleasure of the President of India and shall be subject to such terms and conditions as may be deemed fit by the President of India from time to time, in accordance with the Articles of Association of NEEPCO.

The payment of TA/DA for attending meeting of the Board of NEEPCO shall be in accordance with the instructions on the subject issued by DPE from time to time.

Further, the Independent Directors shall abide with the Code for Independent Directors issued under Section 149(8) read with Schedule IV of the Companies Act, 2013 to the extent applicable to NEEPCO.