

# Voltaire Leasing & Finance Limited

## TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

*[Pursuant to the provisions of Schedule IV to the Companies Act, 2013 ("the Act")]*

The terms and conditions of appointment of Independent Directors are as under. The term "Independent Director" should be construed as defined under the Companies Act, 2013.

*This is a draft of Terms of Appointment of Independent Directors which the Company use to issue on appointment of each of Independent Directors, unless specifically issued for a particular Independent Director at the time of his/her appointment.*

### A. Appointment

1. Mr. /Ms. /Mrs. <**Name of Director**> was appointed as an Independent Director of the **VOLTAIRE LEASING & FINANCE LIMITED** (hereinafter referred to as the "Company") for a term of five (5) consecutive years by the Board at its meeting held on \_\_\_\_\_ followed by members at an Annual/Extra-ordinary General Meeting held on \_\_\_\_\_. Mr. /Ms. /Mrs. <**Name of Director**> has been appointed as an Independent Director of the Company for a first/second (as applicable) term of five (5) consecutive years from \_\_\_\_\_ to \_\_\_\_\_ ("Term") by the Board at the Board of Directors meeting held on \_\_\_\_\_.
2. The Company may remove Independent Director prior to completion of the Term subject to compliance of relevant provisions of the Act and Articles of Association of the Company.
3. In compliance with provision Section 149(13) of the Act, Independent Director is not liable to retire by rotation.
4. During the Term, as per the section 149 (7) of the Act, the independent Director agrees to submit a declaration, at the first meeting of the Board of the Company in which the Independent Director participates as a director and thereafter at the beginning of every financial year or whenever there is a change in the circumstances which may affect their status as an independent director stating that the Independent Director meets the criteria of independence as provided in Section 149(6) of the Act.

5. Independent Director agrees to ensure compliance with all applicable provisions of the Act.

So long as you are an Independent Director of the Company, the number of companies in which you hold office as a Director will not exceed the limit stipulated under the Act.

## **B. Committees**

Apart from acting as member of the Board of the Company, Independent Director shall also act as a member of the following board committees:

- (i) Audit Committee
- (ii) Nomination and Remuneration Committee
- (iii) Corporate Social Responsibility Committee
- (iv) Any other statutory committee that the Company will be required to formulate in future, due to applicability of provisions of Companies Act 2013 or regulations issued by the Reserve Bank of India from time to time as applicable to Non-Banking Finance Companies or any other law that may apply to the Company (like Listing Regulation) etc.

The memberships of above committees are subject to changes as approved / ratified by the Board from time to time.

The decision to nominate the Independent Director as chairman of any committee shall be decided by the Board, as and when it is required.

## **C. Frequency of Meetings**

Independent Director agrees to attend the meetings of the Board and the aforementioned Committees. During a financial year the Company will convene following minimum number of Board and Committee meetings.

- a) **Board Meetings:** At least four times in a Financial Year.
- b) **Audit Committee Meetings:** The Committee shall meet as often as it determines, but the Committee shall meet at least once in every 6 months.
- c) **Nomination & Remuneration Committee Meeting:** As per the requirement arising in the Company.

The Independent Director shall hold at least one meeting in a financial year as required under schedule IV of the Companies Act, 2013 without the attendance of non-independent directors and members of management.

**D. Code of Conduct and Role, Duties and Responsibilities**

As an Independent Director of the Company, you agree to comply with the below:

1. Continue to meet the "independence" criteria as envisaged in Section 149(6) of the Act.
2. Act in accordance with the Company's Article of Association.
3. Abide by the guidelines of professional conduct for Independent Directors as set out in Section 149(8) read with Schedule IV to the Act.
4. Abide by the Company Code of Ethics and Business Principles Applicable to Non-Executive Directors and business principles to the extent applicable to an Independent Director of the Company.
5. Comply with the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulation, 2015 in relation to the role, function and duties as a Director in the Board of the Company.
6. You will take necessary action for inclusion of your name in data bank of Independent Directors, renew it from time to time, as applicable, and pass the online proficiency self-assessment test as applicable.
7. You should act in good faith in order to promote the objects of the Company for the benefits of its members as a whole, and in the best interest of the Company, its employees, the members and the community.
8. You should comply with the provision of the Company Code of Conduct for Prevention of Insider Trading - 2019 in terms of which disclosure or use of unpublished price sensitive information is prohibited.
9. You should not involve in a situation in which you may have direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
10. You should take care that you do not achieve or attempt to achieve any undue gain or advantage either to yourself or your relatives, partners, or associates and if found guilty of making any undue gain, you shall be liable to pay an amount equal to that gain to the Company.

11. You should not assign your office as a director and any assignment so made shall be void.
12. Accountability under the Director's Responsibility Statement (whenever applicable).
13. Independent Director agrees to devote such time as is prudent and necessary for the proper performance of their role, duties and responsibilities as Independent Director.
14. **You are expected to :**
  - a) Guide the Board in monitoring the effectiveness of the Company's governance practices and to recommend changes, required if any;
  - b) Guide the Board in monitoring and managing potential conflicts of interest of management, Board Members and stakeholders, including misuse of corporate assets and abuse in related party transactions;

#### **E. Liability**

You shall be held liable only in respect of such acts of omission or commission by a company which had occurred with your knowledge, attributable through Board processes, and with your consent or connivance or where you had not acted diligently.

#### **F. Use of Technology**

You may attend the Board or Committee meeting in person or through video conferencing or other audio visual means subject to the applicable provisions of the Act.

#### **G. Performance Evaluation**

As a member of the Board, your performance as well as the performance of the entire Board and its Committees shall be evaluated annually. Evaluation of each director shall be done by all the other directors. The criteria for evaluation shall be determined by the Nomination and Remuneration Committee. Your reappointment or extension of term and your remuneration will be recommended by the Nomination and Remuneration Committee to the Board, pursuant to a performance evaluation carried out by the Board subject to approval of the shareholders of the Company.

#### **H. Status of Appointment and Remuneration**

1. You will not be an employee of the Company and this letter shall not constitute a contract of employment, and this arrangement is basis the statutory / regulatory requirements of the Company.
2. Your sitting fees for attending each meeting of the Board and Committees as may be determined by the Board from time to time will be not less than ₹ 5,000/- per Board meeting/ Committee meeting.
3. You will be entitled to reimbursement of expenses incurred by you in connection with attending the Board meetings, Board Committee meetings, general meetings and in relation to the business of the Company towards hotel accommodation, travelling and other out-of-pocket expenses.
4. Pursuant to Section 149(9) of the Act, you will not be entitled to any stock options.
5. This letter represents the entire understanding and constitutes the whole agreement, in relation to your appointment and supersedes any previous agreement between yourself and the Company with respect thereto and without prejudice to the generality of the foregoing, excludes any warranty, condition or other undertaking implied at law or by custom.
6. No waiver or modification of this letter shall be valid unless made in writing and signed by you and the Company.

#### **I. Training**

You will be entitled to the benefit of an induction program to familiarize yourself with the business and affairs of the Company.

Further, pursuant to The Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019, you will require to submit to the Company a declaration that you have complied with the requirement as to inclusion of name in data bank and passed the online proficiency self- assessment test (OPST).

#### **J. Termination**

Your directorship on the Board of the Company shall terminate or cease in accordance with the provisions of the Act and those which are laid by the Company in its code of conduct and Article of Association.

Your directorship on the Board of the Company shall cease in accordance with law. Apart from the grounds of termination as specified in the Act, your directorship may

be terminated for violation of any provision of Company Code of Ethics and Business Principles Applicable to Non-Executive Directors.

You may resign from the directorship of the Company by giving a notice in writing to the Company stating the reasons for resignation and also to Registrar of Companies (RoC). The resignation shall take effect from the date on which the notice is received by the Company or the date, if any, specified by you in the notice, whichever is later.

If at any stage during the Term, there is a change that may affect your status as an Independent Director as envisaged in Section 149(6) of the Act you agree to promptly submit your resignation to the Company with effect from the date of such change.

#### **K. Confidentiality**

All information acquired during your tenure of directorship is confidential and should not be disclosed, either during your tenure or following termination (by whatever means) to third parties without prior clearance from the Chairman, unless required by law or by the rules of, or written / electronic communication from, any stock exchange or regulatory body or other authority ("Legal Authorities"). In the latter case, you would be required to suitably inform the Chairman of such an event or disclosure. You should direct any media queries or approaches to the appropriate spokesperson within the Company. On reasonable request, you shall surrender any documents and other materials made available to you by the Company. However, you shall be entitled to retain one copy of all physical and/or electronic documents and materials subject to the obligation of confidentiality set out above, which shall continue even after you cease to be a director. You shall be entitled to use the retained documents and materials in connection with any legal, regulatory, arbitration and other action or proceedings.

Subject to the terms contained herein, any information that is sent across to you as a password protected file will continue to be available with you as a file capable of being opened with the same password. You shall maintain such password confidentially.

The requirement of confidentiality shall continue to be applicable during and after your tenure as director of the Company. For removal of doubts, it is clarified that, once you cease to be a director of the Company, if you are required by Legal Authorities to disclose the information that is available, you may do so and for information that is not available with you, you may direct such authorities to seek such information directly from the Company. The Company upon making a determination that it is in possession of such information and that such disclosure is

required to be made by law, shall take such steps as deemed necessary to disclose that information.

#### **L. Other Terms**

1. During the term, the Independent Director agrees to notify the Company upon becoming aware of any potential conflict of interest with his position as Independent Director of the Company,
2. During the Term, the Independent Director agrees to promptly notify the Company of any change in their directorships, Memberships and provide such other disclosures and information as may be required under the applicable laws.
3. Independent Director agrees to ensure compliance with Act in relation to the number of companies in which he can hold office as a Director.
4. During the Term, they shall promptly intimate the Company Secretary and the Ministry of Corporate Affairs in the prescribed manner, of any change in address or other contact and personal details provided to the Company.
5. You shall be required to submit certain information in the prescribed forms on a defined periodicity. You are required to disclose to the Company your interest and any matters which affect your independence.
6. During the term, you shall promptly intimate the Company Secretary and the Registrar of Companies in the prescribed manner, of any change in address or other contact and personal details provided to the Company.
7. In the event of any claim or litigation against the Company, based upon any alleged conduct, act or omission on your part during your Term, you agree to render all reasonable assistance and co-operation to the Company and provide such information and documents as are necessary and reasonably requested by the Company or its counsel.

#### **M. Governing Law**

The appointment of Independent Directors and any non-contractual obligations arising out thereof shall be governed by and be construed in accordance with the laws of India and the parties agree to submit to the exclusive jurisdiction of the local courts.

#### **N. Publication of Letter**

In line with the provisions of Schedule IV to the Companies Act 2013, the Company will post the terms and conditions of the appointment on the Company's website.

These terms are binding on both the Company and the Independent Director retrospectively with effect from the commencement date of appointment for the related term (1<sup>st</sup> or 2<sup>nd</sup>). Please confirm your acceptance by signing, dating, and returning a copy of this letter to the Company.

Yours Faithfully,

For **VOLTAIRE LEASING & FINANCE LIMITED**

**<Name of Director>**

DIN:

Managing Director

**AGREE AND ACCEPT**

I have read and understood the terms of my appointment as an Independent Director of the Company and I hereby affirm my acceptance to the same.

S/d-

**<Name of Independent Director>**

DIN:

Place:

Date: