



# **Lion Services Limited**

## **TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS**

**TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS OF THE COMPANY IN ACCORDANCE WITH THE REQUIREMENTS OF SCHEDULE IV TO THE COMPANIES ACT, 2013:**

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**I. APPOINTMENT**

The appointment as an Independent Director on the Board will be effective from date of appointment for a period of terms of appointment.

The Board may, if it deems fit, invite Independent Director for being appointed on one or more existing Board Committees or any such Committee that is set up in the future. The appointment on such Committee(s) will be subject to applicable law.

**II. ROLE, DUTIES AND RESPONSIBILITIES**

1. The Director shall act in accordance with the provisions of the article of association of the Company.
2. The Director shall act in good faith to promote the objects of the company for benefit of all stakeholders of the company.
3. Director shall act in prudent and independent manner while discharging the duties as may be assigned by the company and laws of the land. (4)
4. The director shall not involve in a situation in which he may have a direct or indirect interest that conflicts or possibly may conflict with the interest of the Company.
5. The director shall not attempt to gain or achieve any undue advantage either for himself or to his relatives, partners or associates by exploiting his positions at Company. Further if found guilty shall be liable to pay an amount equal to that gain to the Company.
6. Director shall not assign his office and any assignment so made shall be void.

**III. CODE FOR INDEPENDENT DIRECTORS**

- The Company has relied on the declaration of the Independent Director that he / she meets the criteria of independence as provided in Section 149(6) of the Act.

- The Independent Director 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.
- The Independent Director will be required to comply with applicable provisions of any code of conduct framed by the Board for all Board members and Senior Management of the Company under the Listing Regulations.

#### **IV. RESTRICTIONS**

- Save and except Directorships currently held by the Independent Director, during the term of Appointment, the Independent Directors are expected not to take up directorship in any company (whether in India or abroad) engaged in the same or similar businesses as that of the Company or in a company, business or undertaking of which competes or is likely to compete with the Company or which could otherwise potentially give rise to a conflict with his/her duties with the Company. In the event that the Independent Director becomes aware of any potential conflicts of interest, or in case of doubt, he / she should consult the Chairman of the Company as soon as practicable.
- During the term of Appointment, an Independent Director shall not serve as (a) an independent director in more than the prescribed number of companies and (b) a committee member of more than the prescribed number of committees including chairmanship of such committees.
- During the term of appointment, Independent Director 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 when the trading window is closed. They 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.
- During the term of Appointment, (a) Independent Director will not enter into any agreement for himself/herself or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company; and (b) Independent Director will not enter into any such agreement referred to in (a) above without obtaining the prior approval from the Board of Directors as well as public shareholders of the Company.

#### **V. TIME COMMITMENT**

By accepting the appointment, the Independent Director confirms that he / she will be able to allocate sufficient time to perform his/her duties as a director and attend

meetings of the Board or any committee thereof. In addition to such attendances, Independent Director will be expected to devote appropriate preparation time ahead of each meeting.

## **VI. TRAINING AND DEVELOPMENT**

- The Independent Director will be invited to attend ongoing training and familiarization sessions for Directors including site visits.
- The Board members are provided with necessary documents / brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices.
- Periodic presentations are made at the Board and Committee meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved.
- Quarterly updates on relevant statutory changes and landmark judicial pronouncements encompassing important laws are regularly circulated to Directors.

## **VII. EVALUATION PROCESS**

As members of the Board, their performance as well as the performance of the entire Board and its Committees will be evaluated annually. Evaluation of each director shall be done by all the other directors. The criteria for evaluation shall be disclosed in the Company's Annual Report. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board / Committee.

## **VIII. INDEPENDENT ADVICE**

With the approval of the Chairman, you may seek independent professional advice, at the Company's expense, on any matter connected with the discharge of your responsibilities as a director. Copies of this advice must be made available to, and for the benefit of, all Board members, unless the Chairman otherwise agrees.

## **IX. CONFLICT OF INTEREST**

It is accepted and acknowledged that Independent Director may have business interests other than those of the Company. As a condition precedent to commencement of the appointment, Independent Director is required to declare to the Company any such directorships, appointments and interests to the Board. Thereafter, the Independent

Director is required to declare to the Company whenever there is any change in the circumstances which may affect his status as an Independent Director.

#### **X. TERMINATION/ RESIGNATION**

- Independent Director may resign from his position at any time by serving a reasonable written notice on the Board stating out the reason for resignation. Further, the appointment of an Independent Director may be terminated in accordance with applicable law.
- Continuation of appointment of Independent Director is contingent on his/her willingness to continue as an Independent Director, and getting re-appointed by the shareholders in accordance with applicable law. Independent Director will not be entitled to compensation in case the shareholders of the Company do not re-appoint him/her at any time.

#### **XI. CONFIDENTIALITY**

The Independent Director agrees that both during and after the term of Appointment, Independent Directors will not use for his/her own, or for another's benefit, or disclose or permit the disclosure of any confidential information relating to the Company, subsidiary or any group or associate companies of the Company, which he/she may acquire by virtue of his/her position as an independent director, including without limitation, any information about the deliberations of the Board. The restriction shall cease to apply to any confidential information which may (other than by reason of the director's breach of this term), become available to the public generally.

#### **XII. LIABILITY**

Subject to applicable law, for any breach of duties, Independent Director will be liable to the consequence prescribed under applicable law and in relation to the Company, Independent Director would be liable for such acts of omission or commission by the Company which had occurred with his/her knowledge, attributable through Board processes, and with his/her consent or connivance, or where Independent Director has not acted diligently.

### **XIII. REMUNERATION & EXPENSES**

Remuneration will be paid by way of sitting fees for meetings of the Board and its committees as may be decided by the Board and approved by the shareholder from time to time.

### **XIV. COMPANY POLICIES**

As an officer of the Company, it is expected from the Independent Director to act at all times in accordance with the Company's Constitution and comply with the Company's corporate policies and procedures that relate to your role as a Director covering such areas as corporate governance, privacy and travel. Copies of these will be provided.

### **XV. CHANGES OF PERSONAL DETAILS**

During the Term, they shall promptly intimate the Authorized officer in the prescribed manner, of any change in address or other contact and personal details provided to the Company.