



INDIAN SUCROSE LIMITED

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TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTOR

The terms and conditions of appointment of the Independent Directors of the Company are subject to the extant provisions of the (i) applicable laws, including the Companies Act, 2013 ('2013 Act') and Listing regulations and (ii) Articles of Association of the Company (as amended from time to time).

The broad terms and conditions of their appointment as Independent Directors of the Company are reproduced hereunder:

TERMS OF APPOINTMENT

1. The appointment of Independent Director on the Board of **INDIAN SUCROSE LIMITED** shall be for a term of 5 consecutive years commencing from the date of Annual General Meeting in which they are appointed, during which they shall not be liable to retire by rotation.
2. "Independent Director" should be construed as defined under the Companies Act, 2013 and the listing agreement.
3. The appointment is subject to the provisions of the Companies Act, 2013, Articles of Association of the Company and the Listing Agreements executed by the Company with the Stock Exchanges (the "Listing agreement") as amended from time to time.
4. The Independent Directors shall ensure that in case any situation arises in which they may lose independence criteria, then they shall immediately inform the Board of Directors accordingly.
5. They shall be eligible for reappointment for another term up to 5 years, subject to fulfillment of the criteria as specified under the provisions of the Companies Act, 2013 and listing regulations as amended from time to time, subject to approval of shareholders by way of special resolution.
6. The appointment may be terminated in accordance with the provisions of the Articles of Association of the Company or on failure to meet the parameters of independence as defined in Section 149(6) or Listing Regulations or on the occurrence of any event as defined in section 167 of the Companies Act, 2013. Upon termination or upon resignation for any reason, duly intimated to the Company, Independent Directors will not be entitled to any compensation for loss of office.

RESIGNATION

Independent Directors may resign from their position at any time and should they wish to do so, they are requested to serve a reasonable written notice on the Board. In terms of provisions of the Companies Act, 2013, they are required to file a copy of their resignation letter with the Registrar of Companies.

ROLE, DUTIES AND RESPONSIBILITIES

As members of the Board, they along with the other Directors will be collectively responsible for meeting the objectives of the Board which include:

- A. Requirements under the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013,
- B. "Responsibilities of the Board" as outlined in the Corporate Governance requirements as Prescribed by the Stock Exchanges under Regulation 4(2)(f) of Listing Regulations.
- C. Accountability under the Director's Responsibility Statement.
- D. The role and duties of Independent Directors will be those normally required of a Non Executive Independent Director under the Companies Act, 2013 and Listing Regulations.

There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and are as under:

- I. They shall act in accordance with the Company's Articles of Association.
- II. They shall 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.
- III. They shall discharge their duties with due and reasonable care, skill and diligence.
- IV. They shall 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. They shall not achieve or attempt to achieve any undue gain or advantage either to themselves or to their relatives, partners or associates.
- VI. They shall not assign their office as Director and any assignments so made shall be void.

In addition to the above requirements, the Board of Directors also expect Independent Directors to perform the following functions:

- I. Constructively challenge and help develop proposals on strategy for growth of the Company.
- II. Evaluate the performance of management in meeting agreed goals and objectives.
- III. Satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are effective and defensible.
- IV. Determine appropriate levels of remuneration of Executive Directors and play a prime role in appointing, and where necessary, removing Executive Directors and in succession planning.
- V. Take responsibility for the processes for accurately reporting on performance and the financial position of the Company.
- VI. Keep Governance and Compliance with the applicable legislation and regulations under review and the conformity of Company's practices to accepted norms.

STATUS OF APPOINTMENT AND REMUNERATION:

1. Independent Directors will not be employees of the Company and their appointment letter shall not constitute a contract of employment. They will be paid such remuneration by way of sitting fees for meetings of the Board and its Committees as may be decided by the Board. In addition to the sitting fees, commission that may be determined by the Board may also be payable to them. In determining the amount of this commission, the Board, supported by the Nomination and Remuneration Committee, may consider performance of the Company and their performance as evaluated by the Board.
2. Independent Directors have no entitlement to any bonus during the appointment and no entitlement to participate in any employee stock option scheme operated by the Company or any Group Company.

REIMBURSEMENT OF EXPENSES

The Company may pay or reimburse to the Director such expenditure, as may have been incurred by them while performing their role as an Independent Director of the Company. This could include reimbursement of expenditure incurred by them for accommodation, travel and any out of pocket expenses for attending Board/ Committee Meetings, General Meetings, Court Convened Meetings, Meetings with Shareholders/Creditors/Management, site visits, induction and training (organized by the Company for Directors) and in obtaining, subject to the expense being reasonable, professional advice from independent advisors in the furtherance of their duties as Independent Directors.

INDEPENDENT PROFESSIONAL ADVICE

There may be occasions when Independent Directors consider that they need professional advice in furtherance of their duties as Director and it will be appropriate for them to consult independent advisers at the Company's expense. The Company will reimburse full cost of expenditure incurred in accordance with the Company's policy.

INDUCTION& TRAINING

1. They shall be eligible for an induction so as to familiarize you with the Company and its business etc.
2. They shall also be required to participate in the special training courses organized by Company to ensure that the directors are refreshed and equipped to perform their role in the highest standards and performance possible.

INSURANCE

The Company has Directors' and Officers' liability insurance and it is intended that the Company will assume and maintain such cover for the full term of appointment of Independent Directors.

CONFLICT OF INTEREST

1. By accepting this appointment letter, they shall be deemed to have confirmed that any other position they hold including the directorships in other organizations, shall not give rise to any conflicts of interest in relation to their appointment as an Independent Director of the Company. Should they become aware of any conflict or potential conflict during the tenure of their appointment, they are expected to notify the Company.
2. As an Independent Director, Independent Directors shall not engage in any activity/ies that is not expected from them as an Independent Director.

PERFORMANCE APPRAISAL / 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 evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board / Committee.

DISCLOSURES

During the Term of appointment, they are required to submit all statutory disclosures/confirmations required to be made under applicable laws including but not limited to:

- Annual / Event based disclosures as per Companies Act, 2013
- Disclosures under Listing agreement with the Stock Exchanges
- Disclosures under Prevention of Insider Trading Code
- Disclosures under Code of Conduct for Directors

CODE OF CONDUCT

During the appointment, Independent Directors are required to comply with relevant regulations as contained in Schedule IV under Companies Act, 2013, including the following codes of conduct of the Company:

- i. Group Code of Conduct,
- ii. Code of Conduct for Board of Directors and Senior Management,

iii. Code of Internal Procedures and Conduct for prevention of Insider Trading in securities of the Company and

iv. Code of Corporate Disclosure Practices for prevention of Insider Trading. And such other requirements as the Board of Directors may from time to time specify.

CONFIDENTIALITY OF INFORMATION

Any information acquired by them during their term as director of the Company is confidential and should not be released, unless required by law or by any regulatory body. On reasonable request, they shall surrender any documents and other materials made available to them whilst holding the directorship.

APPLICABLE LAW

1. The terms and conditions contained in the letter of appointment shall be governed by the laws of India and the engagement shall be subject to the jurisdiction of the Indian courts.