

SATYA SHYAM TRADING LIMITED

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

The Independent Directors shall be appointed as per the provisions of section 149(7) read with part-4 of Schedule IV of the Companies Act, 2013 which reads as under:-

1. Manner of appointment :

- (1) Appointment process of independent directors shall be independent of the company management, while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.
- (2) The appointment of independent director(s) of the company shall be subject to approval at the meeting of the shareholders.
- (3) The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfils the conditions specified in the Act and the rules made there under and that the proposed director is independent of the management.
- (4) The appointment of independent directors shall be formalised through a letter of appointment, which shall set out :
 - a) The term of appointment;
 - b) The expectation of the Board from the appointed director, the Board-level committee(s) in which the director is expected to serve and its tasks;
 - c) The fiduciary duties that come with such an appointment along with accompanying liabilities;
 - d) Provision for Directors and Officers (D and O) insurance, if any;
 - e) The Code of Business Ethics that the company expects its directors and employees to follow;
 - f) The list of actions that a director should not do while functioning as such in the company; and
 - g) The remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.
- (5) The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the company by any member during normal business hours.
- (6) The terms and conditions of appointment of independent directors shall also be posted on the company's website.