

HELPAGE FINLEASE LIMITED

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

[Pursuant to the provisions of Schedule IV to the Companies Act, 2013 and Clause 49 (II) (B) (4) of the Listing Agreement]

The broad terms and conditions of appointment of Independent Directors are as under:

1. Appointment

The appointment of the Independent Directors as per the Companies Act, 2013 will be for a period of five years commencing from the respective date of their appointment by the Board, subject to the approval of the Members at the subsequent Annual General Meeting (“**Term**”). The Company may disengage Independent Directors prior to completion of their term, subject to compliance of relevant provisions of the 2013 Act.

Independent Directors will not be liable to retire by rotation.

Independent Directors will be eligible for re-appointment for another term of 5 consecutive years based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Board and the Members. The re-appointment would be considered based on the outcome of the performance evaluation process and the Independent Director continuing to meet the independence criteria.

2. Roles, duties and responsibilities

A. As Members of the Board, they along with the other Directors, will be collectively responsible for meeting the objectives of the Board which inter alia, include:

- Requirements under the Companies Act, 2013, as amended or re-stated for the time being in force
- Responsibilities of the Board as outlined in the Corporate Governance requirements as prescribed by Stock Exchanges under Clause 49 of the Listing Agreement as amended from time to time
- Accountability under the Director’s Responsibility Statement.

B. They shall abide by the 'Code for Independent Directors' as outlined in Schedule IV to Section 149(8) of the Companies Act, 2013 and duties of directors as provided in the Companies Act, 2013 (including but not limited to Section 166) and in Clause 49 of the Listing Agreement.

C. They will be particularly requested to provide guidance in their area of expertise.

3. Time Commitment

Considering the nature of the role of a director, it is difficult for a company to lay down specific parameters on time commitment. They agree to devote such time as is prudent and necessary for the proper performance of their roles, duties and responsibilities as Independent Directors.

4. Remuneration and Expenses

As Independent Directors they shall be paid sitting fees for attending the meetings of the Board and the Committees, as may be applicable, of which they are members. The sitting fees for attending each meeting of the Board and its Committees would be as determined by the Board from time to time.

In addition to the sitting fees, commission that may be determined by the Board may also be payable to Independent Directors. In determining the amount of this commission, the Board, supported by the Nomination and Remuneration Committee, may consider the performance of the Company and their performance as evaluated by the Board.

Further, the Company may pay or reimburse to the Director such expenditure, as may have been incurred while performing their role as an Independent Director of the Company. This could include reimbursement of expenditure incurred for accommodation, travel and any out-of-pocket expenses for attending Board/ Committee meetings, General Meetings, court convened meetings, meetings with Members/ 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 the duties as an Independent Director.

5. Insurance

The Company will take an appropriate Directors' and Officers' Liability Insurance policy and pay the premiums for the same. It is intended to maintain such insurance cover for the term of their appointment, subject to the terms of such policy in force from time to time. A copy of the policy document will be supplied on request.

6. Confidentiality and Tata Code of Conduct

The Independent Directors agree that both during and after the term of Appointment, they will not use for his 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 may acquire by virtue of his 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.

The Independent Director of the Company, shall agree to comply with the Tata Code of Conduct for Non-Executive Directors (NEDs).

Additionally, Independent Directors shall not participate in any business activity which might impede the application of their independent judgment in the best interest of the Company.

All Directors would be required to sign on an annual basis, a confirmation of acceptance of the Tata Code of Conduct for NEDs as adopted by the Board.

7. Training and Development

The Company shall conduct familiarization programs for its Independent Directors which may include any or all of the following:

- Board roles and responsibilities, whilst seeking to build working relationship among the Boardmembers,
- Company's vision, strategic direction, core values, ethics and corporate governance practices,
- Familiarization with financial matters, management team and business operations,
- Meetings with stakeholders, visits to business locations and meetings with senior and middlemanagement.

The Company may, as may be required, support Directors to continually update their skills and knowledge and improve their familiarity with the Company and its business.

8. Performance Appraisal / Evaluation Process

As a member 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.

9. Disclosures, other directorships and business interests

During the term, they agree 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. They also agree that upon becoming aware of any potential conflict of interest with their position as Independent Director of the Company, they shall promptly disclose the same to the Chairman and the Company Secretary.

During their term, they agree to promptly provide a declaration under Section 149(7) of the Act, upon any change in circumstances which may affect their status as an Independent Director.

10. Changes of personal details

During their 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.

11. Disengagement

They may resign from the directorship of the Company by giving a notice in writing to the Company stating the reasons for resignation. The resignation shall take effect from the date on which the notice is received by the Company or the date, if any, specified in the notice, whichever is later.

Their directorship on the Board of the Company shall cease in accordance with law. The Company may disengage Independent Directors prior to completion of their term (subject to compliance of relevant provisions of the Act) upon

- Violation of any provision of the Tata Code of Conduct as applicable to Non-Executive Directors,
- Upon the director failing to meet the criteria for independence as envisaged in Section 149(6) of the Companies Act or Clause 49 of the Listing Agreement.