

**INNOVATORS FAÇADE SYSTEMS LIMITED**  
**Terms and conditions of Appointment of Independent Directors**  
**(Pursuant to Reg. 46 (2)(b) of the SEBI (LODR) Regulations 2015)**

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**The terms and conditions as mentioned below shall be applicable to the appointment of all Independent Directors of the Company for the time being**

**Duties and Responsibilities of the Independent Director**

1. Being the members of the Board, the Independent Directors will be collectively responsible for achieve the objectives of the Board which may include:
  - a) Requirements under the Companies Act 2013 (“Act”)
  - b) Maintaining of independence and abstain himself from availing of benefits, directly or indirectly from the Company.
  - c) Responsibilities of the Board as outlined in the Corporate Governance requirements prescribed under the SEBI (LODR) Regulations, 2015.
  - d) Accountability under the Directors’ Responsibility Statement.
  - e) Overseeing the maintenance of Corporate Governance standards of the Company and ethical conduct of business.
  
2. The Independent Directors shall abide by the ‘Code of Independent Directors’ prescribed under in Schedule IV to Section 149(8) of the Act, and duties of directors as per Section 166 of the Act and those contained in SEBI (LODR) Regulations, 2015.

**Remuneration of Independent Director**

The Independent Directors of the Company may receive sitting fees for attending the meeting(s) of the Board and/or the Committees to which they may be nominated as a member. The sitting fees for attending each meeting of the Board and its Committee would be determined by the Board from time to time.

The Company shall pay or reimburse reasonable expenditure that may have incurred while performing role as an Independent Director of the Company. This will include reimbursement of any expenditure incurred by Independent Director for attending Board / Committee meetings, General Meetings, Meetings with the Management, site visits, induction and training (organized by the Company for Directors) and subject to prior consent of the Board, in obtaining any professional advice from independent advisors in furtherance of duties as an Independent Director.

## **Induction and Development**

The Company may, if required, conduct formal induction program 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 Board members;
- Company's vision, strategic direction, core values, ethics and corporate governance practices; and
- Familiarization with financial matters, management team and business operations;

The Company shall, as may be required, support Directors to continually update their skills and knowledge and improve their familiarity with the Company and its business. The Company will fund/arrange for training on all matters which are common to the whole Board.

## **Performance Appraisal / Evaluation Process**

As a member of the Board, Independent Director's performance as well as the performance of the entire Board and its Committees shall be evaluated annually. Evaluation of each director will be done by all the other directors. The criteria for evaluation shall be determined by the Nomination and Remuneration Committee and 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(s).

## **Disclosures, other directorships and business interests**

During the Term, Independent Directors shall promptly:

- notify the Company of any change in your other directorships/shareholding etc., and provide such other disclosures and information as may be required under the applicable laws;
- disclose particulars, if any, of any potential conflict of interest with your position as an Independent Director of the Company;
- provide a declaration under Section 149(7) of the Companies Act 2013, upon any change in circumstances which may affect your status as an Independent Director.

- 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.

### **Termination**

Independent Director's directorship on the Board of the Company shall terminate or cease in accordance with law. Apart from the grounds of termination as specified in the Companies Act, 2013, directorship may be terminated for violation of any provision of the Code of Conduct as applicable to Non-Executive Directors in the Company.

Independent Director may resign from the directorship of the Company by giving a notice in writing to the Company stating the reasons for such resignation. The resignation shall take effect from the date on which any such notice of resignation 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 of your appointment as 'Independent Director', there is a change that may affect your status as an Independent Director as envisaged in Section 149(6) of the Companies Act, 2013 or, if applicable, you fail to meet the criteria for "independence" prescribed under the provisions of SEBI (LODR) Regulations, 2015, you agree to promptly submit your resignation to the Company with effect from the date of such change.

### **Co-operation**

In the event of any claim or litigation against the Company, based upon any alleged conduct, act or omission on your part during Term, Independent Director 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.

### **Compliance with Code(s)**

#### **1. Code of Conduct**

Independent Directors of the Company shall comply with the Code of Conduct of the Board of Directors, as adopted by the Board.

#### **2. Whistle Blower Policy and Vigil Mechanism**

Independent Directors of the Company shall comply with the Whistle Blower Policy and Vigil Mechanism, as adopted by the Board.

### **3. Insider Trading Regulations**

The provisions of both the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the Code of Conduct of Board of Directors on Prevention of Insider Trading, prohibiting disclosure or use of unpublished price sensitive information, would be applicable to the Independent Directors of the Company.

#### **Confidentiality**

Independent Director(s) shall apply highest standards of confidentiality and not disclose to any person or entity, any confidential information, including commercial secrets, business and operations plans. The obligation of confidentiality shall survive upto end of two years from cessation of their respective directorships with the Company.

#### **Conflict of Interest**

During the tenure of his office, Independent Directors agree to promptly disclose to or notify the Company of;

- a) any change in their directorships and/ or membership/ chairmanship of any committee to which he was member;
- b) provide such other disclosures and information as required under the applicable laws; and
- c) upon becoming aware of any potential conflict of interest with their position as Independent Director(s) of the Company, promptly disclose the same to the Board of Directors of the Company.

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