



# **JUPITER WAGONS LIMITED**

***CIN: L28100MP1979PLC049375***

## **TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS AND NON-EXECUTIVE DIRECTORS**

The terms and conditions of appointment of the Independent Directors and Non- Executive Directors of the Company in accordance with the requirements of the provisions of the Companies Act, 2013 (the “Act”) and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations”):

## PERIOD OF RE-APPOINTMENT

The period of re-appointment of Independent Directors for another term would not exceed five years (hereinafter referred to as the “Tenure”), pursuant to the provisions of the Act and the Listing Regulations. However, the tenure is subject to continuous fulfillment of the criteria for being an independent director under the Act and the Listing Regulations (including such criteria as may be amended from time to time during the Tenure) and also not being disqualified or debarred from holding office of director by the SEBI/the Ministry of Corporate Affairs or any such statutory authority.

## ROLE AND DUTIES

As a Non-Executive/ Independent Director, they shall have the same general legal responsibilities to the Company as any other director and shall be required to take decisions in the best interests of the Company. The Board of Directors (the “Board”) as a whole is collectively responsible for the success of the Company. The Board’s role is to:

- a) provide entrepreneurial leadership of the Company within a framework of prudent and effective controls which enable risk to be assessed and managed;
- b) set the Company’s strategic aims, ensure that the necessary financial and human resources are in place for the Company to meet its objectives, and review management performance; and
- c) Set the Company’s values and standards and ensure that its obligations to its shareholders and others are understood and met.

**In their role as non-executive director, they shall also be required to:**

- a) constructively challenge and contribute to the development of strategy;
- b) scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- c) satisfy that financial information is accurate and that financial controls and systems of risk management are robust and defensible;
- d) be responsible for determining the appropriate level of remuneration for executive directors and have a prime role in appointing and, where necessary, removing executive directors and in succession planning;
- e) at all the time comply with the Articles;
- f) abide by fiduciary duties as a director of the Company;
- g) diligently perform their duties and use best endeavors to promote, protect, develop and extend the business of the Company; and
- h) Immediately report their own wrongdoing or the wrongdoing or the proposed wrongdoing of any other employee or director of the Company of which they become aware to the Managing Director and the Board.
- i) The Directors may be nominated on one or more committees of the Board and in such event they will be provided with the terms of reference and any specific responsibilities.

## REMUNERATION

As an Independent Director they shall be paid sitting fees for attending the meetings of the Board and the Committees of which they are a member.

The sitting fees payable per meeting are as follows:

- Board Meeting – Rs.30,000/-
- Any meeting of the committee(s) of which they are a Member – Rs.25,000/-

Further, the Company may pay or reimburse to the Independent Directors and Non-Executive Directors such fair and reasonable 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 for attending Board/ Committee meetings, Annual General Meetings, Extraordinary 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 prior consultation with the Board, professional advice from independent advisors in the furtherance of their duties as an Independent Director.

On termination of the appointment, the Independent Directors and Non-Executive Directors shall only be entitled to accrued fees as at the date of termination together with reimbursement of any expenses properly incurred prior to that date.

## INDEPENDENT LEGAL ADVICE

In some circumstances the Independent Directors may consider that the Independent Directors need professional advice in the furtherance of their duties as a director and it may be appropriate for the Independent Directors to seek advice from independent advisors at the Company's expense. The Independent Directors must declare to the Board their intention to take such advice before it so doing together with a budget amount to cover the likely cost. The Company shall approve and reimburse the full cost of expenditure in accordance with any policy it has on such matters from time to time.

## OUTSIDE INTERESTS

It is accepted and acknowledged that the Independent Directors have business interests other than those of the Company. The Independent Directors shall have declared any conflicts of interest during their election to the Board. If the Independent Directors become aware of any potential conflicts of interest, these should be disclosed to the Board as soon as they become aware of them. The Board shall decide how best to handle such information.

## CONFIDENTIALITY

All information acquired during their appointment is confidential to the Company and should not be disclosed to third parties or used for any reason other than in the interests of the Company, either during their appointment or following termination (by whatever means), without prior clearance from the Board.

The attention is drawn to the requirements under both legislation and regulation as to the disclosure of inside information. Consequently, the Independent Directors should avoid making any statements that might risk a breach of these requirements without prior clearance from the Board.

## CODE OF CONDUCT AND INDEPENDENCE

The Independent Director are expected to continue to be qualified as independent during their tenure as prescribed under the said Act and the Listing Agreement.

The Independent Director will follow the Company's Code of Conduct and furnish Annual Affirmation of the same. The Independent Director will follow the highest standards of confidentiality, and not disclose to any person any confidential information, except as permitted by law or with prior clearance from the Managing Director Company Secretary.

The Independent Director will follow the Company's code of internal procedure and conduct and code of corporate disclosure practices as envisaged under the SEBI (Prohibition of Insider Trading) Regulations 1992 as well as insider trading provisions contained in the said Act, which, inter alia requires that price sensitive information is not used or transmitted and maintained securely.

## **REVIEW PROCESS**

The performance of individual directors, the whole Board and its committees is evaluated annually.

## **RELATED DOCUMENTS**

The Independent Directors and Non-Executive Directors agree to abide by the Code of Conduct, other policies of the Company as may be framed by the Board of Directors & its Committee from time to time and act within the interests of the Terms of Reference as approved and published by the Board.

***\*Applicable for both appointment and re-appointment of Independent and Non-Executive Directors.***

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