

# SIGNET INDUSTRIES LIMITED

CIN: L51900MH1985PLC035202

REGD. OFFICE- 308, ACME PLAZA, OPP. SANGAM CINEMA, ANDHERI KURLA ROAD, ANDHERI (E)  
MUMBAI MAHARASHTRA-400059

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## Terms and Conditions of Appointment of Independent Directors (ID)

The following are the Terms and Conditions for appointment of Independent Director on the Board of the Company:

### 1. Expectations, Roles, Functions and Duties

- 1.1. The Board of Directors of the Company expects that, ID shall help in bringing an independent judgment on Board's deliberations especially on issues of strategy performance, Risk Management, Resources, Key appointments, standards of conduct as well as ensuring high standards of financial probity and corporate governance. ID is also expected to observe and comply with applicable laws, the charter documents of the Company and the rules, regulations and policies of the Company, in relation to his/her directorship and the business of the Company.
- 1.2. The role, functions and duties of ID will be as provided under the applicable law, including the Companies Act, 2013 ("Act") and in conformity with Section 149(8) read with Schedule IV and Sec. 166 of the Act and Clause 49 of the Listing Agreement. Including others, the following shall also form part of duties of ID of the Company.
  - (I). Seek appropriate clarification of Information, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of Company;
  - (II). Strive to attend all meetings of Board and of Board Committees of which they are member/(s);
  - (III). Participate constructively and actively in Committees of Board, where appointed as member or Chairperson;
  - (IV). Strive to attend the General Meetings of the Company;
  - (V). Act within their authority, assist in protecting the legitimate interests of Company, shareholders and its employees;
  - (VI). Pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure him/herself that same are in interest of Company;
  - (VII). Keep him/herself informed about the Company and external environment where the Company operates;
  - (VIII). Exercise duties with due and reasonable care, skill and diligence and shall exercise independent judgment;
  - (IX). Ascertain and ensure that the Company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;

### 2. Remuneration and Reimbursement of Expenses

- 2.1. ID will be paid such remuneration by way of sitting fees for attending meetings of the Board and its Committees as may be decided by the Board from time to time in compliance with applicable law. The remuneration shall be subject to applicable taxes and the Company may withhold there from any amounts as are required to

be withheld pursuant to applicable law. Any tax liability arising in respect of payments made pursuant to remuneration to ID shall be borne solely by him/her.

- 2.2. 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 ID.
- 2.3. In addition to the remuneration described above the Company will, for the period of appointment, reimburse ID for travel, hotel and other incidental expenses incurred by him/her in the performance of his/her role and duties.

### **3. Conflict of Interest**

It is accepted and acknowledged that ID may have business interests other than those of the Company. As a condition precedent to commencement of the appointment, ID is required to declare to the Company any such directorships, appointments and interests to the Board. Thereafter ID is required to declare to the Company whenever there is any change in the circumstances which may affect his/her status as an ID.

### **4. Other Terms and Conditions**

#### **4.1 Evaluation**

The performance of ID will be evaluated as per the requirements of the Act and the Listing Agreement.

#### **4.2 Termination**

- (i) ID may resign from his/her position at any time by serving a reasonable written notice on the Board stating out the reason for resignation. Further, appointment of ID may be terminated in accordance with applicable law.
- (ii) Continuation of appointment of ID is contingent on his/her willingness to continue as an ID, and getting re-appointed by the shareholders in accordance with applicable law. ID will not be entitled to compensation in case the shareholders of the Company do not re-appoint him/her at any time.

### **5. Confidentiality**

- 5.1. All information in relation to the Company acquired by ID during the appointment and tenure as an ID is confidential and should not be disclosed to third parties unless required by law.
- 5.2. ID is subject to and bound by the prohibition and restrictions against insider trading and disclosure of unpublished price sensitive information, as prescribed under the Act and the regulations issued by the Securities and Exchange Board of India ("SEBI"). ID would have to strictly abide by the Code of Conduct for Prevention of Insider Trading of the Company under SEBI (Prohibition of Insider Trading) Regulations, 1992 (as amended or replaced from time to time).

