



**METRO BRANDS LIMITED**

**TERMS & CONDITIONS OF APPOINTMENT OF  
INDEPENDENT DIRECTORS**

## **A. PRELIMINARY:**

1. During the tenure as an Independent Director they will have to submit a declaration at the beginning of every Financial Year under Section 149 (7) of the Companies Act, 2013("Act") stating that they meet the criteria of Independence.
2. So long as they are an Independent Director of the Company, they have to disclose the number of companies in which they are Independent Director or a Chairman or Committee Member and within the limit as stipulated under the Act and Listing Agreement.
3. So long as they are Independent Director of the Company, they will ensure that they do not get disqualified to act as a director pursuant to the provisions of the Companies Act and other Legislations.
4. The Independent Director will ensure compliance with other provisions of applicable enactments and Listing Agreement as applicable.

## **B. TERM:**

In accordance with the provisions of the Companies Act, 2013, SEBI (Listing Obligation and Disclosure Requirements) 2015 and other applicable laws, the Independent Director is entitled to hold office for a term of five consecutive years and shall be entitled to reappointment for a further term of five years subject to approval of shareholders by way of special resolution in the general meeting and disclosure to this effect in the Directors Report.

## **C. CODE OF CONDUCT, DUTIES AND RESPONSIBILITIES:**

1. The Independent Director will abide by Metro Brands Limited's Code of Ethics to an extend applicable to an independent director of the Company.
2. The Independent Director shall abide by the guidelines of professional conduct, role, function and duties as an Independent Director provided in Schedule IV of the Companies Act, 2013.
3. The Independent Director will not hold office as a director or any other office in a competing firm/entity.
4. As Independent Director they shall be at liberty to:

- a. take decisions objectively and solely in the interests of the Company;
- b. facilitate Company's adherence to high standards of ethics and corporate behaviour;
- c. guide the Board in monitoring the effectiveness of the Company's governance practices and to recommend changes, required if any;
- d. guide the Board in monitoring and managing potential conflicts of Interest of Management, Board Members and Stakeholders, particularly in related party transactions if any;
- e. guide the Board in ensuring integrity of the Company's accounting and financial reporting systems, including independent audit and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, compliance with law and relevant standards.
- f. To be updated on Independent Director's roles, responsibilities, duties and liabilities, under applicable laws, including changes and trends in economic, political, social, financial, legal and corporate governance practices.

#### **D. PERFORMANCE EVALUATION:**

The re-appointment or extension of term and remuneration will be recommended by the Nomination, Remuneration and Compensation Committee of the Board, pursuant to performance evaluation carried out by the Board.

#### **E. REMUNERATION:**

The Independent Director will be entitled for Sitting fees for attending each meeting of the Board and its Committees in which they are member as may be determined by the Board from time to time, and

The Independent Director will be entitled to reimbursement of expenses incurred by them in connection with attending Board meetings, Board Committee meetings, General meetings and in relation to the business of the Company (subject to prior confirmation and documentary proofs) towards hotel accommodation, if any, travelling and other out-of-pocket expenses.

## **F. TRAINING:**

The Independent Director will be entitled to the benefit of a training programme to familiarize themselves with the business and affairs of the Company, growth plans, peculiarities of the industry in which the Company operates, its goals, expectations, long term plans and objectives.

## **G. MISCELLANEOUS:**

The Independent Director will have access to confidential information, whether or not the information is marked or designated as “confidential” or “proprietary”, relating to the Company and its business including legal, financial, technical, commercial, marketing and business-related records, data, documents, reports, etc., client information, intellectual property rights (including trade secrets), (**“Confidential Information”**).

The Independent Director shall use reasonable efforts to keep confidential and to not disclose to any third party, such Confidential Information.

If any Confidential Information is required to be disclosed by the Independent Director in response to any summons or in connection with any litigation, or in order to comply with any applicable law, order, regulation or ruling, then any such disclosure should be, to the extent possible, with the prior consent of the Board.