



## **APTUS VALUE HOUSING FINANCE INDIA LIMITED**

### **TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS**

*[Pursuant to the provisions of Schedule IV to the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

The terms and conditions of appointment of the Independent Directors are subject to the provisions of the Companies Act, 2013 ('2013 Act'), Articles of Association of the Company and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR') (as amended from time to time).

The broad terms and conditions of appointment of Independent Directors of the Company are as mentioned below:

#### **1. Appointment**

The term of appointment of Independent Directors will be in accordance with the provisions of the 2013 Act, rules made thereunder and SEBI LODR and they can serve as Independent Directors for a maximum of two consecutive term of five years each.

As Independent Directors, they will not be liable to retire by rotation.

Reappointment at the end of the term shall be based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Board and the shareholders. The reappointment would be considered by the Board based on the outcome of the performance evaluation process and the directors continuing to meet the independence criteria.

#### **2. Committees of the Board**

The Board of Directors may as it deems fit, invite the Independent Directors for being appointed on one or more existing Board Committees or any Committee that may be set up in the future. The appointment of Independent Directors on such Committee(s) will be subject to the applicable regulations.

#### **3. Roles, duties and responsibilities**

As member of the Board, the Independent Directors along with the other Directors will be collectively responsible for meeting the objectives of the Board which include:

- Requirements under the 2013 Act
- "Responsibilities of the Board" as outlined in the Corporate Governance requirements as prescribed by Stock Exchanges under SEBI LODR,
- Accountability under the Director's Responsibility Statement,
- Overseeing the maintenance of high standards of values and ethical conduct of business.



They shall abide by the 'Code for Independent Directors' as outlined in Schedule IV to section 149 of the Companies Act, 2013 and duties of directors as provided in the 2013 Act and SEBI LODR.

#### **4. Time Commitment**

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

#### **5. Remuneration**

As Independent Directors, they shall be paid sitting fees for attending the meetings of the Board and the Committees in 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. In addition to the above, Independent Directors will be entitled to reimbursement of all expenses incurred by them in connection with their participation in the Board and Board-committee meetings. Independent directors are not entitled to stock options of the company.

#### **6. Performance Appraisal / Evaluation Process**

As a member of the Board, the performance of Independent Directors as well as the performance of the entire Board and its Committees will be evaluated annually. The criteria for evaluation shall be determined by the Nomination and Remuneration Committee and 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 / Committees.

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

During the term, Independent Directors are required 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. 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 / Company Secretary of the Company.

During their term, Independent Directors are required to promptly provide a declaration under Section 149 of the Companies Act, 2013 upon any change in circumstances which may affect their status as an Independent Director.



## **8. Changes of personal details**

During the term, Independent Directors are required to promptly intimate the Company Secretary of the Company 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.

## **9. Training and Development**

The Company shall conduct familiarization programs for Independent Directors to familiarize them with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc.

## **10. Termination**

The directorship of Independent Directors on the Board of the Company shall terminate or cease in accordance with applicable laws. 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 by them in the notice, whichever is later.

If at any stage during the term, there is a change that may affect their status as an Independent Director as envisaged in Section 149 of the Companies Act, 2013, they agree to promptly submit their resignation to the Company with effect from the date of such change.

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