



## DATAMATICS GLOBAL SERVICES LIMITED

### TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

The following are the terms and conditions of appointment of Independent Directors of Datamatics Global Services Limited (hereinafter referred to as “DGSL” or “the Company”):

#### 1. **APPOINTMENT:**

The Company may appoint the Independent Directors, subject to the approval of the shareholders for a term upto 5 (five) consecutive years, or till such earlier date to confirm with the Company’s policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines.

The Independent Directors will not be liable to retire by rotation.

#### 2. **COMMITTEES:**

The Board of Directors (the Board) may, if it deems fit, invite the Independent Directors for being appointed on one or more existing Board Committees or any such Committee that may be set up in the future.

#### 3. **TIME COMMITMENT:**

As a Non-Executive Director, the Independent Directors are expected to bring objectivity and independence of view to the Board’s discussions and to help provide the Board with effective leadership in relation to the Company’s strategy, performance, and risk management as well as ensuring high standards of financial probity and corporate governance. The Board meets at least four times in a year. The Audit Committee also meets at least four times in a year. Besides, there are other Committee meetings, like Nomination and Remuneration Committee, Stakeholders’ Relationship Committee and Corporate Social Responsibility Committee, which are ordinarily convened twice in a year or as per the requirements. The Independent Directors will be expected to attend Board meetings, Board Committees meetings to which he/she may be appointed and Shareholders meetings and to devote such time to their duties, as appropriate to discharge their duties effectively. Ordinarily, all meetings are held in Mumbai.

The Independent Directors are expected to allocate sufficient time to meet the expectations from their role to the satisfaction of the Board.

The Independent Directors are expected to abide by the ‘Code of Conduct of Independent Directors’ as outlined in Schedule IV to the Companies Act, 2013.

#### 4. **ROLE AND DUTIES:**

The role and duties of the Independent Directors will be those normally required of a Non-Executive Director under the Companies Act, 2013 and the Listing Agreement. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and are as under:

- I. to act in accordance with the Company’s Articles of Association and the Code of Conduct.
- II. to act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interest of the Company.
- III. to discharge the duties with due and reasonable care, skill and diligence.
- IV. not to involve in a situation which may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- V. not to achieve or attempt to achieve any undue gain or advantage, either directly or indirectly to self or to relatives, partners or associates.
- VI. not to assign office as Director, and any assignments so made shall be void.



In addition to the above requirements applicable to all the Directors, the role of the Independent Directors as the Non-Executive Director shall have the following key elements:

**Strategy:** The Independent Directors should constructively challenge and help develop proposals on strategy;

**Performance:** The Independent Directors should scrutinise the performance of management in meeting agreed goals and objectives;

**Risk:** The Independent Directors should satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are robust and defensible;

**People:** Nomination and Remuneration Committee members are responsible for determining appropriate levels of remuneration of Executive Directors and have a prime role in appointing, and where necessary, removing Executive Directors and in succession planning;

**Reporting:** The Independent Directors take responsibility for the processes for accurately reporting on performance and the financial position of DGSL; and

**Compliance:** The Independent Directors should keep governance and compliance with the applicable legislation and regulations under review and the conformity of DGSL practices to accepted norms.

#### **5. STATUS OF APPOINTMENT:**

The Independent Directors will not be the employees of the Company. The Independent Directors will be paid such remuneration by way of sitting fees for attending meetings of the Board and its Committees, as may be approved by the Board from time to time. Further, the Independent Directors will also be paid remuneration by way of commission on the net profits of the Company, as may be decided by the Board and approved by the Shareholders from time to time.

The sitting fees paid to the Non-Executive Independent Director is `25,000/- [Rupees Twenty Five Thousand Only] per meeting of the Board and `5,000/- [Rupees Five Thousand Only] per meeting of the Audit Committee.

#### **6. CONFLICT OF INTEREST:**

It is accepted and acknowledged that the Independent Directors may have business interests other than those of the Company. As a condition to their appointment, they are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of such appointment.

In the event that the circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead the Board to revise its judgement that they are independent, this should be disclosed to both the Chairman and the Company Secretary.

#### **7. CONFIDENTIALITY:**

All information acquired during the appointment of the Independent Directors is confidential to DGSL and should not be released, either during their tenure or following termination (by whatever means) to third parties without prior clearance from the Chairman, unless required by law or by the rules of any stock exchange or regulatory body. On reasonable request, they shall surrender any documents and other materials made available to them by DGSL.

The attention of the Independent Directors is also drawn to the requirements under the applicable regulations and the DGSL Code of Conduct which concern the disclosure of price sensitive information and dealing in the securities of DGSL. Consequently the Independent Directors should avoid making any statements or performing any transactions that might risk a breach of these requirements without prior clearance from the Chairman or the Compliance Officer.



**8. EVALUATION:**

The Company shall have a process for Board Evaluation. As per the process, the Company will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors on an annual basis. The appointment and re-appointment of the Independent Directors on the Board shall be subject to the outcome of the yearly evaluation process and the directors continuing to meet the independence criteria.

**9. INSURANCE:**

DGSL has Directors' and Officers' liability insurance and it is intended that DGSL will assume and maintain such cover for the full term of appointment of the Independent Directors.

**10. DISCLOSURE OF INTEREST:**

The Company must include in its Annual Accounts, a note of any material interest that a Director may have in any transaction or arrangement that the Company has entered into. Such interest should be disclosed no later than when the transaction or arrangement comes up at a Board meeting so that the minutes may record their interest appropriately and the records are updated. A general notice that the Independent Director is interested in any contracts with a particular person, firm or company is acceptable.

**11. TERMINATION:**

- I. The Independent Directors may resign from their position by giving written notice to the Board.
- II. The continuation of the appointment of the Independent Directors is contingent on getting re-elected by the shareholders in accordance with provisions of Companies Act, 2013 and the Articles of Association of the Company, from time to time in force.

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