

PURBASHA RESOURCES LIMITED

- Registered Office: PURBASHA HOUSE, 25, Park Lane, Kolkata – 700 016
- Phone: 2229-2881, 2249-5524, Fax: 91-33- 40625269
- Website: www.purbasharesources.in ● E- mail: corporate@purbasharesources.in
- CIN - L65993WB1980PLC032908

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS OF THE COMPANY

The relationship of Independent Directors with PRL will be that of an office-holder and not one of contract for employment in the Company. The following are the terms and conditions of appointment of Independent Directors of the Company:

(a) Appointment / Re-appointment

The Independent Directors are appointed by the Members of the Company, on the recommendation of the Nomination and Remuneration Committee ('NRC') and Board of Directors of the Company ('Board'), for such period not exceeding five years as may be considered appropriate by the Board or as may be determined by any applicable statutes, rules, regulations or guidelines.

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

As per Companies Act, 2013 ('the Act') the maximum permissible tenure shall be two continuous terms from the date of their joining as a Director, subject to approval of the NRC, Board and the Members as stated above.

(b) Committees of the Board

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

The appointment / re-appointment on such Committee(s) will be subject to the applicable laws, rules and regulations.

Independent Directors shall serve on the Committee with the same diligence and commitment as a representative of the Board to ensure its working and proper functioning not only in accordance with law, but in keeping with the expectations of the stakeholders. The membership to the Board Committee shall co-exist with the term of appointment as Independent Director and shall automatically come to an end at the cessation of term or revocation of this offer, whichever is earlier.

(c) Meetings

The Board meets at regular intervals, which is finalized in advance in consultation with all the Directors. A minimum of 4 meetings of Board and Audit Committees are held each year. The other Board Committees meet at appropriate intervals.

The Independent Directors will be expected to attend meetings of the Board and the Board Committees (of which they are holding membership) in addition to the Shareholders meetings (Annual General Meeting / Extraordinary General Meeting) and to devote such appropriate time to discharge their duties effectively.

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Further, the Independent Directors shall also hold at least one meeting in a financial year, without the attendance of non-independent directors and members of management and all the Independent Directors shall strive to be present at such meeting.

(d) Disclosure of Interest

During the term, Independent Directors shall promptly notify the Company of any change in their directorships, and provide such other disclosures and information as may be required under the applicable laws. Further on becoming aware of any potential conflict of interest with their position as Independent Directors of the Company, they shall promptly disclose the same to the Chairman.

They shall serve a declaration under Section 149(7) of the Act read with Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), upon any change in circumstances which may affect their status as an Independent Director.

(e) Remuneration

The Independent Directors will be entitled to remuneration as may be determined by the Board in accordance with the provisions of the Act read with the Nomination and Remuneration Policy of the Company.

(f) Role, Duties and Responsibility

The Company expects its directors to uphold ethical standards of integrity and probity. The role, duties and responsibilities associated with the position of Independent Director shall be those as prescribed under the applicable laws, Articles of Associations of the Company, PRL Code of Conduct and such other duties as may be determined by the Board from time to time.

As Members of the Board, the Independent Directors along with the other Directors will collectively be responsible for meeting the objectives of the Board, which inter alia includes the following:

- ∞ Performing duties and undertaking responsibilities as required under Act read with the Rules made thereunder, Listing Regulations and NBFC provisions;
- ∞ taking accountability under the Director's Responsibility Statement;
- ∞ Performance Evaluation of Board of Directors & management in lines with agreed goals and objectives;
- ∞ overseeing the maintenance of high standards of the Company's values and ethical conduct of business.

The independent Directors shall abide by the 'Code for Independent Directors' as outlined in Schedule IV of the Act read with the PRL Code of Conduct.

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(g) Prohibition on Insider Trading & Code of Conduct

The Independent Directors are prohibited from dealing in the Company's shares during the period when the trading window is closed. Further, Directors, being designated officers of the Company for the purpose of insider trading guidelines, are to pre-clear all trades (buy/sell/gift) from the Compliance Officer.

As Independent Director of the Company, they agree to comply with the provisions of the 'PRL Code of Conduct for Prevention of Insider Trading' read with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, in terms of which disclosure or use of unpublished price sensitive information is prohibited

Unless specifically authorized by the Company, the Independent Directors will not disclose information in respect of the Company's affairs to the media, the financial community, the employees, the members or to any other person.

The obligation of confidentiality shall survive termination or cessation of their directorship in the Company.

The Independent Director shall not engage in any activity which might impede the application of their independent judgement in the best interest of the Company.

(h) Time Commitment

Considering the nature of the role of a Director, it is difficult for the Company to lay down specific parameters on time commitment. By accepting this appointment, you confirm that you would be able to devote such time as is prudent and necessary for the proper performance of your role, duties and responsibilities as an Independent Director.

(i) Conflict of Interest

It is accepted and acknowledged that the Independent Directors may have business interests other than those of the Company. They are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form(s).

In the event that, in their judgment, circumstances seem to have changed and might give rise to a conflict of interest or, wherever applicable, circumstances that might lead the Board to revise its judgment of their independence, the same should be disclosed to the Board immediately.

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(j) Training and Development

The Company will, from time to time, provide necessary support to Independent Directors in updating their skills and knowledge and improve their familiarity with the Company and its business. The Company will conduct formal training program for its Independent Directors as and when required. Independent Directors will also be updated on various changes pertaining to statutes / legislation and economic environment.

(k) Performance Evaluation

Performance evaluation of the Independent Directors as well as of the entire Board and Board Committees will be conducted annually as required under the provisions of the law, against the parameters set by the Nomination and Remuneration Committee.

(l) Cessation

Notwithstanding the other provisions of this letter, the appointment of Independent Director may be terminated at any time by the Board in accordance with the provisions of the Act and Articles of Association of the Company if the Board (excluding the concerned Independent Director) is of opinion that the continued appointment is not in the interest of the Company.

The Independent Director may resign from his position at any time by serving a reasonable written notice to the Board stating out the reason of resignation.

(m) Confidentiality

All non-public information obtained during the appointment is confidential to the Company and should not be released, either during the appointment or following cessation (by whatever means) to third parties without prior clearance from the Chairman, or as required by law.

(n) Governing Law

The appointment and the related terms & conditions are governed by the laws of India, and subject to the exclusive jurisdiction of the Courts of Kolkata, West Bengal.
