

## SPECTRUM FOODS LIMITED

### Terms and conditions of appointment of independent directors

[Date]

[Name and Address of the Director]

Sub.: Appointment as a Non-Executive Independent Director of Spectrum Foods Limited (“The Company”)

We are pleased to inform you that Board of Directors of the company by way of resolution passed at its meeting held on----- has approved your appointment as a Non- Executive Independent Director on the Board of the Company.

The terms of your appointment shall be governed by the provisions of the Companies Act, 2013 read with the rules made thereunder, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), Memorandum of Association and Articles of Association of the Company.

#### **Terms of Appointment:**

- 1) Your appointment is commencing from -----.
- 2) During the appointment you may be required to serve as a member on one or more of the Board Committees as approved by the Board from time to time.
- 3) You are considered to be an Additional Director (Non-Executive Independent) and will be identified as such in the Annual Report and other documentation. If circumstances change, and you believe that your Independence may be in doubt, you should give a declaration to the Board as soon as possible in any case not later than 7 (seven) days of occurrence of event.
- 4) Your designation will be changed from Additional Director (Non-Executive Independent) to Non-Executive Independent Director for a period of ----- years w.e.f. ----- upon regularization of your appointment by Shareholders of the Company.

#### **Expectation of the Board and fiduciary duties:**

- 5) The Company expects a commitment of sufficient time and attention as necessary in order to perform your duties under the Appointment. This will include attendance at regular and emergency Board and any General Meetings.
- 6) You will be required to attend regular meetings of any Committee of which you are a member. In addition, you will also be expected to devote appropriate preparation and time ahead of each meeting. In case you wish to avail leave of absence from the meeting for any reason whatever, you may take prior leave of absence from the Board and/or Committee of the said meetings.
- 7) By accepting the Appointment, you confirm that you are able to allocate sufficient time to perform your role.

8) As an Additional Director (Independent) you have the same general legal responsibilities to the Company as any other Director.

9) You will abide by the Code of Independent Director as specified in Schedule IV of the Companies Act 2013 and the rules made thereunder as well as the Listing Regulations.

10) You shall adhere to all the conditions of Independence during your term with the Company and give a declaration of Independence in every financial year during your term with the Company.

**Code of Conduct:**

11) During the appointment you will comply with the Code of Business Ethics and the Code of Conduct Policy of the Company.

12) The Company acknowledge that you may have business interests other than those of the Company and that you have declared any conflicts that are apparent at present. In the event that you become aware of any potential conflicts of interest, these should be disclosed to the Company as soon as they become apparent but not later than 30 (thirty) days of the occurrence of such event.

**List of actions restrained:**

13) You should not allow any extraneous considerations that will vitiate your exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making.

14) You should not abuse your position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage(s) for any associated persons.

15) You should not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information unless such disclosure is expressly approved by the Board or required by law. Your attention is drawn to the requirements under both legislation and regulation as to the disclosure of price-sensitive information. Consequently, you should avoid making any statements that might risk a breach of these requirements without prior clearance from the Board.

16) You shall not engage in forward dealings in securities of the Company or shall you enter into insider trading in the securities of the Company.

17) You shall not involve in a situation in which you may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.

18) In terms of Section 149(6) of the Companies Act, 2013 you or your relative should not have any pecuniary relationship with the Company or any of its holding, subsidiary or associate company during your term of appointment with the Company.

**Evaluation**

19) The Company will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors on an annual basis in compliance to the Companies Act 2013.

As per the prescribed procedures, evaluation of a Director shall be done by all the other directors on the basis of the criteria as may be determined by the Nomination and Remuneration Committee of the Board. The actual evaluation process shall be confidential and shall be aimed to improve the effectiveness of the Board / Committees.

**Disclosure of Interest**

20) The Company is required to 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 not later than when the transaction or arrangement comes up at a Board meeting, so that the minutes may record such director's interest appropriately and the Company's records are updated. In terms of the provisions of the Companies Act, 2013, directors are required to disclose their interest in other entities in the prescribed format at the beginning of the financial year and as and when there is change in interest.

**Publication of the letter of appointment:**

21) In line with Schedule IV of the Companies Act, 2013, the Company will make public a generic copy of this letter on its website at [www.baidfinserv.com](http://www.baidfinserv.com) and shall be open for inspection at the registered office of the Company by any member during normal business hours.