



# ***Uttam Sugar Mills Limited***

## ***(Terms and conditions of appointment of Independent Directors)***

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Code for Independent Directors is prescribed in Schedule IV to the Companies Act, 2013. During the selection process, the Board ensures that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.

The Board always ensures that the Independent Director proposed to be appointed fulfils the conditions specified in the Act and the Rules made thereunder.

The terms and conditions for the appointment of the Independent Director are enumerated below:

### **Term of Appointment-**

The appointment of Independent Directors shall be for a term upto 5 (five) years or as may be prescribed under Companies Act, 2013 and rules made thereunder as amended from time to time. The Independent Directors shall not be liable to retire by rotation.

The Re-appointment at the end of their tenure shall be considered by the Board of Directors ("the Board") based on the recommendation of the Nomination and Remuneration Committee and the performance evaluation report, subject to the Directors continuing to meet the independence criteria.

The Independent Directors may be nominated to be a Member or Chairman of any one or more Committees of the Board.

### **Role, Functions & Duties-**

As members of the Board, the Independent Directors along with other Directors will be collectively responsible for meeting the objectives of the Board.

The role and functions of the Independent Directors shall be in accordance with the provisions of Schedule IV (Code for Independent Directors) to the Act, which *inter alia* includes:

- Requirements under the Act and Rules framed there under.
- Responsibilities of the Board in relation to Corporate Governance as outlined in Listing Regulations and USML'S Code for Independent Directors.
- Accountability under Directors' Responsibility Statement which forms part of the Board's Report to the shareholders.
- Review of Companies business strategy, financial plan and monitor the performance of the Company.
- Advice and counsel the management in the respective area of expertise
- To follow the duties as specified in the applicable laws, under Companies Act, 2013, Company's policies and Articles of Association;

- To follow the “Code for Independent Directors” as specified under Schedule IV of the Companies Act, 2013;
- To follow the “Obligations with respect to independent directors” as specified under Regulations 25 of SEBI (listing Obligations and Disclosure Requirements) regulations, 2015;
- To promptly inform the Company about changes, if any, in disclosure of interest and declarations furnished by Director to the Company
- To apply the highest standards of confidentiality, and not disclose to any person or company, any confidential information concerning the Company.

### **Remuneration**

The amount of remuneration to Independent Directors shall be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors after keeping in view policy framed for Criteria for making payment to Non Executive Directors.

The amount of remuneration will also be subject to approval by the Shareholders of the Company in the next Annual General Meeting, if required by any Law.

### **General**

The Independent Directors appointment, remuneration, professional conduct, role, functions and duties shall be governed by the Companies Act, 2013 and the Rules made thereunder, as amended from time to time.

### **Termination:**

An Independent Director may resign from his/her position at any time by serving reasonable written notice to the Board of directors.

Continuation of his/her appointment is contingent on his/her getting re-elected by the shareholders' in accordance with provisions of Companies Act, 2013. He/she will not be entitled to compensation if the shareholders do not re-elect him/her at any time.

### **USML Code of Conduct**

The Independent Directors of the Company shall comply with USML'S Code of Conduct for Board of Directors and its Code for Independent Directors.

Unless specifically authorized by the Company, the Independent Directors shall keep confidential all information concerning the Company.