



## **TERMS OF ENGAGEMENT OF INDEPENDENT DIRECTORS (“APPOINTMENT”) OF ONE MOBIKWIK SYSTEMS LIMITED (“THE COMPANY”)**

Terms and Conditions related to engagement of Independent Directors, but which shall be subject to and in conformity with the Articles of Association of the Company & Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended time to time).

### **1. DEFINATION OF INDEPENDENT DIRECTOR**

**“Independent Director”** is defined under Sections 2 (47) & 149(6) of the Companies Act, 2013 and Regulation 16 (1) (b) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

An Independent Director in relation to a Company, means a director other than a managing director or a whole-time director or a nominee director, -

- a) who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- b) (i) who is or was not a promoter of the Company or its holding, subsidiary or associate Company;  
(ii) who is not related to promoters or directors in the Company, its holding, subsidiary or associate Company;
- c) who has or had no pecuniary relationship with the Company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- d) none of whose relatives has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate Company, or their promoters, or directors, amounting to two percent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- e) who, neither himself nor any of his relatives:
  - i. holds or has held the position of a Key Managerial Personnel or is or has been employee of the Company or its holding, subsidiary or associate Company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
  - ii. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of:

(A) a firm of auditors or Company secretaries in practice or cost auditors of the

- company or its holding, subsidiary or associate company; or
- (B) any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate company amounting to ten percent or more of the gross turnover of such firm;
- iii. holds together with his relatives two percent or more of the total voting power of the company; or
- iv. is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives twenty-five percent or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate Company or that holds two percent. or more of the total voting power of the Company; or
- v. is a material supplier, service provider or customer or a lessor or lessee of the listed Company; or
- vi. who is not less than 21 years of age; or
- f) who possesses such other qualifications.

## **2. APPOINTMENT OF INDEPENDENT DIRECTORS**

Appointment is for an initial term of upto five years, unless otherwise terminated earlier by and at the discretion of either party. Independent Directors are typically expected to serve not more than two terms of five years each. Appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company from time to time in force.

As Independent Directors, they will not be liable to retire by rotation pursuant to the provisions of the Companies Act, 2013. 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. Reappointment would be considered based on the outcome of the performance evaluation process and the Director continuing to meet the independence criteria.

Directors may be requested to be a member/ Chairman of any one or more Committees of the Board which may be constituted from time to time.

## **3. ROLES, DUTIES AND RESPONSIBILITIES**

Independent Directors have the same general legal responsibilities to the company as any other Director.

Independent Director of the Company, are required:

- to act in accordance with the Company's Articles of Association.
- to discharge duties with due and reasonable care, skill and diligence.
- not to achieve or attempt to achieve any undue gain or advantage either to himself or to any related person/ party.
- 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.

- not to involve in a situation conflicting with the interest of the Company and to put the interests of Company above others.

In addition to the above requirements applicable to all Directors, role of the Independent Directors shall also include duties as prescribed in Schedule IV of Companies Act, 2013.

#### **4. REMUNERATION**

The Independent Director would be entitled for sitting fees as may be determined by the Board of Directors of the Company (in accordance with the provisions of law) from time to time for the director's services as an Independent Director. In addition to the sitting fees, commission as may be determined by the Board and shareholders of the Company may also be payable to them.

In addition to the fee described above, the Company will reimburse the Independent Director for all reasonable and properly documented expenses he/ she incurs in performing his/her role as an Independent Director.

#### **5. EVALUATION PROCESS**

As a member of the Board, performance as well as the performance of the entire Board and its Committees shall be evaluated annually. Evaluation of each Director shall be done by all the other Directors. The criteria for evaluation shall be determined by the Nomination and Remuneration Committee of the Board and 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 / Committee.

#### **6. TRAINING AND DEVELOPMENT**

The Company conducts induction program for its Independent Directors familiarising them with Company's management team and business operations. The Company updates the Directors on regulatory changes through various notes and presentations.

#### **7. CONFIDENTIALITY**

During their tenure, Independent Directors of the Company are aware of information that is confidential to the Company. All such information acquired during tenure should not be released to third parties without prior clearance from the Chairperson.

#### **8. INSURANCE**

The Company will take an appropriate Directors' and Officers' Liability Insurance policy and pay the premiums for the same. It is intended to maintain such insurance cover for the Term of their appointment, subject to the terms of such policy in force from time to time.

**9. DISCLOSURES, OTHER DIRECTORSHIPS AND BUSINESS INTERESTS:**

During the term, they agree to 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. They also agree that upon 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 and the Company Secretary.

During their Term, they agree to promptly provide a declaration under Section 149(7) of the 2013 Act, upon any change in circumstances which may affect their status as an Independent Director.