

Asia Capital Limited

CIN: L65993MH1983PLC342502

Registered Office

203, Aziz Avenue, CTS-1381, Near
Railway Crossing Vallabhbai Patel Road,
Vile Parle (W), Mumbai- 400056
Phone: 022-26100787/ 801/ 802
Email: asiacapitallimited@gmail.com
Website: www.asiacapital.in

TERMS AND CONDITIONS FOR THE APPOINTMENT OF INDEPENDENT DIRECTORS

1. APPOINTMENT

- a. The Independent Directors will be appointed as a Non-Executive Independent Director on the Board of Directors of **ASIA CAPITAL LIMITED** (hereinafter referred to as “the Company”).
- b. The appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure 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.
- c. The appointment of the Independent Directors is subject to approval of the Board of Directors and the Shareholders, as per the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions.
- d. Their appointment is also subject to the maximum permissible Directorships that one can hold as per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- e. In compliance with the provision of section 149(13) of the Companies Act, 2013, Independent Directors are not liable to retire by rotation.
- f. The term of Independent Director should be construed as defined under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- g. The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly, subject to the terms of the Board and Shareholder’s resolution passed by the Board/ Shareholders, the Independent Directors will serve for not more than two terms of upto five years each on the Board of the Company. The Company is at liberty to disengage Non Executive Independent Director earlier subject to compliance of relevant provisions of the Companies Act, 2013.

- h. The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfils the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.
- i. The appointment of independent directors shall be formalized through a letter of appointment stating all the terms of appointment.
- j. If circumstances change, and the Independent Director believes that his independence may be in doubt, he should intimate this with the Managing Director or Company Secretary of the Company as soon as possible.
- k. The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the company by any member during normal business hours.
- l. The terms and conditions of appointment of independent directors shall also be posted on the company's website.

2. Role and Duties

The role and duties will be those normally required of a Non-Executive Independent Director under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and are as under:

- a. They shall act in accordance with the Company's Articles of Association;
- b. They shall 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, its employees, its shareholders, community & for the protection of the environment;
- c. They shall discharge their duties with due and reasonable care, skill and diligence & shall exercise independent judgment;
- d. They shall not involve in a situation in which they may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company;
- e. They shall not achieve or attempt to achieve any undue gain or advantage either to themselves or to their relatives, partners or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the Company;
- f. They shall not assign their office as Director and any assignments so made shall be void;
- g. They shall help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;

- h. They shall scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance and bring an objective view in the evaluation of the performance of board and management;
- i. They shall undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
- j. They shall seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company;
- k. They shall strive to attend all meetings of the Board of Directors, of the Board Committees and the general meetings of the Company of which he/she is a member;
- l. They shall participate constructively and actively in the Committees of the Board in which they are Chairpersons or members;
- m. Where they have concerns about the running of the Company or a proposed action, they shall ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- n. They shall keep themselves well informed about the company and the external environment in which it operates;
- o. They shall not to unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board;
- p. They shall pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company;
- q. They shall ascertain and ensure that the Company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- r. They shall report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy; and
- s. They shall 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.

3. Status of Appointment

The Independent Director will not be an employee of the Company and this letter shall not constitute a contract of employment.

4. Board Committees

As advised by the Board, during the tenure of office, the Independent Director may be required to serve on one or more of the Committees of the Board established by the Company from time to time. Upon any such appointment to any one or more Committees, they will be provided with the appropriate Committee charter which sets out the functions of that Committee.

5. Directors' Fees

- a. The Independent Director will be paid such remuneration by way of sitting fees for meetings of the Board and its Committees as may be decided by the Board and approved by such other persons/Authorities as may be required from time to time.
- b. For the period of their appointment, the Company shall reimburse them for travel, hotel and other incidental expenses incurred by them in the performance of their roles and duties for the Company.
- c. An independent director shall not be entitled to any stock option and shall not be covered by any pension scheme also an independent Directors have no entitlement to any bonus during the appointment.

6. Code of Conduct

- a. The Independent Director shall adhere to the Code of Conduct for Board Members and Senior Management Personnel, as framed by the Company and amended from time to time.
- b. The Independent Director will be bound by the Code for Independent Directors as mentioned under Schedule IV of the Companies Act, 2013 and other applicable provisions.

7. Conflict of Interest

It is accepted and acknowledged that the Independent Director may have business interests other than those of the Company. As a condition to their appointment commencing, they are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of their appointment and first board meeting of every financial year or whenever there is any change in such disclosures already made.

8. Confidentiality

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

- b. Attention is also drawn to the requirements under the applicable regulations and the Company's Insider Trading Code which concern the disclosure of price sensitive information and dealing in the securities of the Company. Consequently, Independent Directors should avoid making any statements or performing any transactions that might risk a breach of these requirements without prior clearance from the Managing Director or Company Secretary of the Company.

9. Evaluation

The performance of individual Directors and the whole Board and its committees is evaluated annually. The Independent Director will have to make himself available for carrying out the annual / periodic performance review of himself and the Board committees where he is a part thereof for review purpose. Independent Director has to further confirm that he/she will extend his/her contribution to review of the Board of Directors individually as well as for its various committees on behalf of / as desired by the Board of Directors on an annual / periodic time frame. The appointment and re-appointment on the Board for Independent Directors shall be subject to the outcome of the evaluation process.

10. Termination

- a. An Independent Director may resign from his position at any time and should they wish to do so, they are requested to serve a reasonable written notice on the Board;
- b. Continuation of their appointment is contingent on their getting re-elected by the shareholders in accordance with provisions of the Companies Act, 2013 and the Articles of Association of the Company, from time to time in force. They will not be entitled to any compensation, if the shareholders do not re-elect them at any time; and
- c. Their appointment may also be terminated in accordance with the provisions of the Companies Act, 2013, Articles of Association of the Company and other applicable provisions.

11. Separate meetings:

- a. The independent directors of the company shall hold at least one meeting in a financial year, without the attendance of non-independent directors and members of management; and
- b. The meeting shall:
 - i. review the performance of non-independent directors and the Board as a whole;
 - ii. review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors;
 - iii. assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

12. Liability

Subject to the provisions of the Companies Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, being an independent director they shall be held liable, only in respect of such acts of omission or commission by a Company which had occurred with their knowledge, attributable through Board processes, and with their consent or connivance or where they had not acted diligently with respect of the provisions contained in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

13. Governing Law

This agreement is governed by and will be interpreted in accordance with Indian law and the engagement shall be subject to the jurisdiction of the Indian courts.

Note: The provisions of the Companies Act, 2013 and rules thereto and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendment thereto from time to time) to the extent applicable, shall be apply on the appointment of Independent Directors.
