

**TERMS AND CONDITIONS OF APPOINTMENT OF**  
**INDEPENDENT DIRECTORS**

We are pleased to inform you that, you have been appointed as Independent Director of Hindustan Power Exchange Limited (“the Company”) with effect from (•) pursuant to the resolution passed by the Board of Directors (•) on the terms and conditions set out in details hereunder:

**1. Appointment**

Your appointment as an Independent Director on the Board of the Company for tenure of five years w.e.f (•) subject to approval of shareholder in upcoming general meeting. Your office shall not be liable to retire by rotation.

Your appointment shall be governed by the provisions of the Companies Act, 2013, Articles of Association of the Company and other applicable laws.

**2. Roles, Functions and Duties:**

As an Independent Director, you are expected to bring objectivity and independence of view to the Board's and Board Committees, if any, and to help provide the Board with insight and effective leadership in relation to the Company's strategy, performance and risk management as well as ensuring high standards of financial probity and Corporate Governance. You are also expected to observe and comply with applicable law, the charter documents of the Company and the rules, regulations and policies of the Company, in relation to your directorship and the business of the Company.

As per the provisions of the Act, the Company shall give you an advance notice of minimum 7 days of every Board Meeting and committee meetings. A meeting of the Board may be called at a shorter notice to transact urgent business.

**3.** The Company has duly constituted various Statutory Committees under the provisions of the Companies Act. You may be appointed as a member of in any of the Committee as per the discretion of the Board and terms of reference of such committees. Ordinarily all meetings are held in Mumbai, Registered Office of the company, unless determined otherwise. Recommendations/Minutes of the Meetings of the Committees are submitted to the Board for approval. By accepting this appointment, you confirm that you can allocate sufficient time to meet the expectations from your role to the satisfaction of the Board.

As a member of the Board you along with the other Directors will be collectively responsible for meeting the objectives of the Board which include:

- Requirements under the Companies Act, 2013
- Code for Independent Director as outlined in Schedule IV to Section 149(8) of the Act,
- Accountability under the Directors' Responsibility Statement

#### **4. Remuneration & Expenses:**

Directors are entitled to a sitting fee for attending each meeting of the Board and Committee (if member of any) as per the Company's policy, as amended from time to time. Further, the Company shall reimburse you for the travel, accommodation and other incidental expenses incurred by you from time to time in the performance of your role and duties as a director of the Company.

#### **5. Conflict of Interest**

The Additional Independent Directors shall identify important issues which may involve conflict of interest for the Company or may have significant impact on the functioning of the Company. Same shall be reported to the Board of the Company.

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