



 **nopaperforms**

Terms and Conditions of Appointment of Independent Directors

The terms and conditions governing the appointment as an Independent, Non-Executive Director on the Board of the Company:

1. As an Independent, Non-Executive Director, you shall bring independent judgement and objectivity to the Board's deliberations and provide guidance constructive inputs in relation to the Company's strategy, performance, and risk management. You are also expected to uphold high standards of integrity, financial probity, and corporate governance.
2. Your appointment and all the terms herein shall be governed by the Companies Act, 2013 and Rules made thereunder ("**Act**"), the Articles of Association of the Company, and applicable Company policies. You shall discharge the duties as a director, including the fiduciary duties specified under Section 166 of the Act and the duties specified in Schedule IV (Code for Independent Directors) of the Act. In the event the Company's equity shares are listed on any recognized stock exchanges in India, you shall also be subject to and bound by the duties of the directors under the regulations issued by the Securities and Exchange Board of India ("**SEBI**"), and specifically those duties identified under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Regulations**").
3. Basis your expertise and experience, you are expected to contribute to the effective functioning of the Board and discharge your roles, professional conduct, duties, and obligations as an Independent Director of the Company with utmost integrity and professionalism. You shall adhere to the "**Code of Conduct for Board of Directors and Senior Management Personnel**" and "**Code for Independent Directors**" as set out under Section 149 read with Schedule IV of the Act, and, where applicable, the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. Your tenure as an Independent Director is subject to your continuing to meet the requisite criteria of independence under the Act and, upon listing, under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. You shall provide to the Company, at the time of your appointment and thereafter on a periodic basis as required, a declaration of your independence. In the event that you cease to meet the criteria of independence at any time, you shall promptly inform the Company. You are expected to refrain from any action that could reasonably be perceived as compromising your independence.

Further, you shall not abuse your position as an Independent Director to the detriment of the Company or its stakeholders or for the purpose of securing, directly or indirectly, any undue personal advantage or advantage for any associated person. In view of the criticality of your role, you are expected not to serve on the boards of competing companies during your tenure with the Company.

5. You may have business interests other than those of the Company. You are required to promptly disclose to the Company any directorships, appointments, interests, or changes thereto, so that the Company can ensure compliance with applicable laws. In particular, you shall provide regular and timely disclosures of your interests and concerns in accordance with the provisions of the Act, including Section 184 thereof, and, where applicable, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
6. During your tenure, you may be required to serve on one or more committees of the Board as may be constituted by the Company from time to time, subject to compliance with the applicable provisions of the Act and, upon listing, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Upon your appointment to any such committee(s), you will be provided with the relevant charter setting out the terms of reference and functions of that committee.

You are expected to attend all meetings of the Board, the committees of which you are a member or chairperson, and meetings of the shareholders of the Company. In the event that you are unable to attend any such meeting, you are required to provide reasonable prior notice to the Company.

As per the requirements of your role and in compliance with applicable laws, you would be required to carry out the evaluations of the performance of the Board as a whole, Board Committees and the Individual Directors on an annual basis. Your individual performance evaluation shall be done by the Board annually, without your participation.

7. Pursuant to Section 197(5) of the Act read with applicable rules, you shall be entitled to sitting fees of INR 100,000 (Rupees One Lakh only) per meeting of the Board attended, INR 50,000 (Rupees Fifty Thousand only) per meeting of the Statutory Committee(s) attended, and INR 20,000 (Rupees Twenty Thousand only) per meeting of any other committee(s) of the Board attended, as may be applicable. All such payments shall be subject to deduction of tax at source, where applicable, and in compliance with applicable tax laws.
8. The Company shall reimburse you for all reasonable expenses actually incurred by you in connection with attending meetings of the Board and its committees, subject to submission of the requisite documentation in accordance with the Company's reimbursement policies, as amended from time to time.
9. The sitting fees and any remuneration payable to you shall be exclusive of applicable Goods and Services Tax ("GST"), which shall be borne by the Company in accordance with applicable law.
10. All payments to be made to you in your capacity as an Independent Director, shall be subject to deduction of taxes (including, where applicable, tax deducted at source) and any other statutory deductions, in accordance with applicable law. You shall be solely responsible for the payment of any additional taxes, levies, or obligations over and above the amounts so deducted at source.
11. The Company maintains a Directors & Officer (D&O) liability insurance policy that covers its Directors and Officers. Such coverage shall be extended to you for the duration of your appointment, subject to the terms, conditions, exclusions, and limits of the applicable policy, as may be in force from time to time.
12. All information, whether written, oral, electronic, or otherwise, acquired by you in the course of your tenure as a director shall be regarded as confidential and you shall not, either during your tenure or at any time thereafter, disclose such information to any third party without the prior written consent of the Company, unless such disclosure is required by law, regulation, or the rules of any stock exchange or regulatory authority. In such cases, you shall promptly inform the Company of the requirement and the information proposed to be disclosed.

You are further requested to direct any media queries or approaches to the Company. Upon reasonable request by the Company, you shall return or, where appropriate, destroy any documents and materials (in whatever form) made available to you by the Company.

13. As a "**Designated Person**" under the Company's Code of Conduct framed pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("**PIT Regulations**"), you are required to comply with the provisions of the said Code, the Act, and applicable SEBI regulations. In particular, you shall ensure that Unpublished Price Sensitive Information ("**UPS**I") is not communicated, used, or misused in any manner, and that it is maintained in strict confidence and handled in accordance with law and the Company's policies.
14. You shall not make any public statements or undertake any trades in the Company's securities that may risk a breach of these requirements without obtaining prior clearance from the Company Secretary in accordance with the Company's Code of Conduct on Insider Trading.
15. In the event you propose to resign as an Independent Director of the Company, you shall provide a written notice to the Board setting out detailed reasons for your resignation, together with a confirmation that there are no other material reasons for your resignation other than those provided in such notice. Upon listing of the Company's equity shares, the Company shall make the requisite

disclosures of your resignation and the reasons thereof to the stock exchange(s) in accordance with applicable law.

16. Notwithstanding anything contained in this letter of appointment, your appointment shall automatically cease in the event that you incur any disqualification under Section 164 of the Act or if your office is vacated by virtue of Section 167 of the Act, or under any other applicable law, as amended from time to time. In such an event, you shall immediately notify the Company of such disqualification or reason for vacation of office, and you shall cease to be a director of the Company with effect from the date of such disqualification or vacation of office.
17. Upon cessation of your appointment with the Company:
- i. you shall cease to hold the position of the Independent, Non-Executive director of the Company;
 - ii. subject to applicable law, the Company shall make all payments due to you, including applicable statutory and contractual payments (such as sitting fees and outstanding reimbursements). Such payments, net of any lawful deductions or set-offs, shall constitute full and final settlement and discharge of all liabilities and obligations of the Company towards you, and you shall not be entitled to claim any further amounts from the Company;
 - iii. the Company and you shall make all requisite filings with the concerned regulatory authorities in connection with such cessation, within the prescribed time periods; and
 - iv. you shall deliver to the Company all property, documents, records, and materials (in any form, including physical, electronic, or otherwise) belonging to the Company, its subsidiaries, or affiliates, as may be in your possession, custody, control, or power, including but not limited to phones, computers, vehicles, credit cards, and any other items provided by the Company.
18. This letter of appointment and any non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with the laws of India. In the event a dispute or claim arises out of or in relation to or in connection with the existence, validity, interpretation, implementation, termination, enforceability, breach or alleged breach of this letter of appointment ("Dispute"), the Company and you shall first attempt to resolve such dispute amicably through negotiations. If the Dispute is not resolved within fifteen (15) days of commencement of discussions, then either party may, by written notice to the other, refer the Dispute to arbitration in accordance with the Arbitration and Conciliation Act, 1996, as amended from time to time. The arbitration shall be conducted by a sole arbitrator mutually appointed by the parties. The seat and venue of arbitration shall be New Delhi, and the language of the arbitration shall be English. The arbitral award shall be final and binding on the parties. Subject to the foregoing, the courts of New Delhi shall have exclusive jurisdiction over any matters arising out of or in connection with this letter of appointment.
19. Representations and Warranties:
- i. You represent and warrant that as on the date of this letter of appointment:
 - a. the execution, delivery, and performance of this letter of appointment by you does not and will not conflict with, breach, violate, or cause a default under any contract, agreement, instrument, order, judgment, or decree to which you are a party or by which you are bound, and this letter of appointment constitutes a valid and legally binding obligation on you, enforceable in accordance with its terms and subject to applicable law;;
 - b. you hold a valid and active Director Identification Number (DIN) as prescribed under applicable law; and
 - c. you are not disqualified from being appointed as a director on the Board of the Company under Section 164, and your office is not liable to be vacated under Section 167, of the Act.
 - ii. The Company represents and warrants to you that, as on the date of this letter of appointment, the execution, delivery, and performance of this letter of appointment by the Company does not and will not conflict with, breach, violate, or cause a default under any contract, agreement, instrument, order, judgment, or decree to which the Company is a party

or by which it is bound, and this letter of appointment constitutes a valid and legally binding obligation of the Company, enforceable in accordance with its terms and subject to applicable law.

20. In the event of any claim, investigation, or litigation against the Company arising out of or in connection with any alleged act, omission, or conduct on your part during your tenure as a director of the Company, you agree to provide reasonable assistance and cooperation to the Company, including providing such information and documents as may be lawfully required and reasonably requested by the Company or its legal counsel. Any reasonable costs or expenses incurred by you in providing such assistance shall be borne by the Company, subject to submission of appropriate supporting documentation.
21. All notices or other communications required or permitted to be delivered or given hereunder shall be in writing and shall be delivered by hand or sent by registered post / acknowledgement due, or express mail, or internationally recognized courier service or transmitted by email. Any notice so served shall be deemed to have been duly given (i) in case of delivery by hand, the other party providing acknowledgment of the receipt; or (ii) when delivered by post or courier and has obtained acknowledgment of the delivery; or (iii) for electronic mail notification with return receipt requested, upon the obtaining of a valid return receipt from the recipient:

If to the Company, at:	If to the Independent Director, at
Unit No. 4, First Floor, Plot No. 242 & 243, AIHP Palms, Udyog Vihar, Phase-IV, Gurugram, Haryana – 122015.	[address]
Attention: Board of Directors	Attention: [name]
Email: secretarial@meritto.com	Email: [email ID]

Subject to applicable law, the Board shall have the power and authority to update or amend the terms and conditions your appointment provided that no such amendment shall have the effect of diminishing your rights or entitlements under applicable law. Any such update or amendment shall be communicated to you in writing in advance.