

Dear

Sir,

**Sub: Your Appointment as an Independent Director of the Company**

We are pleased to advise that following the recommendations of the Nomination & Remuneration Committee and the Board, the shareholders of SBI Global Factors Limited ('the Company') at the Extraordinary General Meeting held on ....., have approved your appointment as an Independent Director on the Board of the Company. This is pursuant to your confirmation to the Company that you meet the "independence" criteria as envisaged in Section 149(6) of the Companies Act, 2013.

The terms of your appointment, as set out in this letter, are subject to the extant provisions of the

1. **(i)** applicable laws, including the Companies Act, 2013 and
2. **(ii)** Articles of Association of the Company ("AOA").

**Appointment**

Your appointment will initially be for ..... years and is effective from ....., unless terminated earlier or extended, as per the applicable laws ("Term").

As an Independent Director you will not be liable to retire by rotation.

Your re-appointment at the end of the Term shall be based on the recommendations of the Nomination & Remuneration Committee and subject to the approval of the Board and the shareholders. Your re-appointment would be considered by the Board based on the outcome of the performance evaluation process and you continuing to meet the independence criteria.

**Role, duties and responsibilities**

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

- Complying with the requirements under the Companies Act, 2013,
- Following the Directors' Responsibility Statement,
- Taking decisions objectively and solely in the interests of the Company,
- Overseeing the maintenance of high standards of Code of Conduct to be observed by the Company's Board of Directors and Core Management,
- Guiding the Board in monitoring the effectiveness of the Company's governance practices and to recommend changes, required if any,
- Guiding the Board in monitoring and managing potential conflicts of interest of Management, Board Members and Stakeholders, including misuse of corporate assets and abuse in related party transactions,
- Guiding the Board in ensuring the integrity of the Company's accounting and financial reporting systems including independent audit, and that appropriate systems of control are in place, in particular, systems for risk management,

financial and operational control, and compliance with the law and relevant standards,

- Overseeing the Company's contribution to enhancing the quality of life of communities,
- Protecting and enhancing the SBI brand.

**B. You shall abide by the 'Code For Independent Directors' as outlined in Schedule IV and section 149(8) of the Companies Act, 2013, and duties of Directors as provided in the Companies Act, 2013 (including Section 166). For your ready reference, the relevant provisions have been extracted and attached to this letter as Annexure 'A'.**

**C. You will also be responsible for providing guidance in the area of your expertise.**

### **Time Commitment**

Considering the nature of the role of a Director, it is difficult for a Company to lay down specific parameters on time commitment. You agree to devote such time as is prudent and necessary for the proper performance of your role, duties and responsibilities as an Independent Director.

### **Remuneration**

As an Independent Director you shall be paid sitting fees for attending the meetings of the Board and the Board Level Committees of which you are and may become a member.

Further, the Company may pay or reimburse to you such fair and reasonable expenditure, as may have been incurred by you while performing your role as an Independent Director of the Company.

### **Performance Appraisal / Evaluation Process**

As a member of the Board, your 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 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 / Committees. An indicative list of factors that may be evaluated as part of this exercise is:

1. **a.** Participation and contribution by a Director,
2. **b.** Commitment (including guidance provided to senior management outside of Board / Committee meetings),
3. **c.** Effective deployment of knowledge and expertise,
4. **d.** Effective management of relationship with stakeholders,
5. **e.** Integrity and maintenance of confidentiality,
6. **f.** Independence of behaviour and judgment, and
7. **g.** Impact and influence.

## **Disclosures, other Directorships and business interests**

During the Term, you agree to promptly notify the Company of any change(s) in your Directorships, and provide such other disclosures and information as may be required under the applicable laws. You also agree that upon becoming aware of any potential conflict of interest with your position as an Independent Director of the Company, you shall promptly disclose the same to the Chairman and the Company Secretary. Please confirm that as on date of this letter, you have no such conflict of interest issues with your existing Directorships.

During your Term, you agree to provide a declaration at the beginning of every Financial Year under Section 149(7) of the Companies Act, 2013 stating that you meet the criteria of Independence and also upon any change in circumstances which may affect your status as an Independent Director.

## **Changes of personal details**

During the Term, you shall promptly intimate the Company Secretary and the Registrar of Companies in the prescribed manner, of any change(s) in address or other contact and personal details provided to the Company.

## **Termination**

Your Directorship on the Board of the Company shall terminate or cease in accordance with law. Apart from the grounds of termination as specified in the Companies Act, 2013, your Directorship may be terminated for violation of any provision of the Company's Code of Conduct as applicable to the Board of Directors.

You may resign from the Directorship of the Company by giving a notice in writing to the Company stating the reasons for resignation. The resignation shall take effect from the date on which the notice is received by the Company or the date, if any, specified by you in the notice, whichever is later.

## **Co-operation**

In the event of any claim or litigation against the Company, based upon any alleged conduct, act or omission on your part during your Term, you agree to render all reasonable assistance and co-operation to the Company and provide such information and documents as are necessary and reasonably requested by the Company or its counsel.

## **Miscellaneous**

1. **a.** This letter represents the entire understanding, and constitutes the whole agreement, in relation to your appointment and supercedes any previous agreement between yourself and the Company with respect thereto and, without prejudice to the generality of the foregoing, excludes any warranty, condition or other undertaking implied at law or by custom.

2. **b.** No waiver or modification of this letter shall be valid unless made in writing and signed by you and the Company.
3. **c.** As per the Code for Independent Directors, as outlined in Schedule IV to the Companies Act, 2013, this letter along with your detailed profile shall be disclosed on the website of the Company.

### **Acceptance of Appointment**

We are confident that the Board and the Company will benefit immensely from your rich experience and we look forward to your guidance for the growth of the Company. If these terms of appointment are acceptable to you, please confirm your acceptance by signing and returning the enclosed copy of this letter.

We look forward to your guidance and support to the Company.

For SBI Global Factors Limited

Managing Director & C.E.O.

### **AGREE AND ACCEPT**

I have read and understood the terms of my appointment as an Independent Director of the Company and I hereby affirm my acceptance of the same.