



Appointment as Independent Director

<Name and Address>

<Date>

Dear - <Name of the Director>

Dear:- Sir/Madam,

Sub: Appointment as Independent Director

I am pleased to inform you that upon the recommendation of the Nomination and Remuneration Committee, the Board of Directors ('the **Board**') of The Investment Trust of India Limited ('the **Company**') have approved your appointment as an independent director of the Company ('**Independent Director**'). This letter sets out the terms of your appointment.

1. Appointment

In accordance with the provisions of the Companies Act, 2013 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws (hereinafter referred to as "Relevant Laws"), you will serve as an Independent Director of the Board for a period of [] years with effect from [] up to []. Your appointment is subject to the approval of shareholders.

2. Board committees

As advised by the Board, during the tenure of office, you may be required to serve on one or more of the committees of the Board established by the Company as chairman or member of the committee. Upon your appointment to any one or more Committees, you will be provided with the appropriate Committee charter which sets out the functions of that Committee.

3. Training of the Board

Every new independent director of the Board attends an orientation program. Presentations are made by senior managerial personnel. The presentations cover an overview of our strategy and operations to familiarize the new inductees about the strategy, operations and functions of our Company. The orientation program will cover the following topics-

- Company's strategy
- Operations
- Service offerings
- Product offerings
- Organization structure
- Finance
- Human Resources
- Technology

- Risk management

4. Professional Conduct

As an Independent director, you shall:

- a. uphold ethical standards of integrity and probity;
- b. act objectively and constructively while exercising your duties;
- c. exercise your responsibilities in a bona fide manner in the interest of the Company;
- d. devote sufficient time and attention to your professional obligations for informed and balanced decision-making;
- e. not allow any extraneous considerations that may vitiate your exercise of objective independent judgement in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgement of the Board in its decision-making
- f. not abuse your position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person.
- g. refrain from any action that could lead to a loss of your independence;
- h. ensure that if circumstances arise under which you may lose your independence, you will immediately inform the Board accordingly, and
- i. assist the Company in implementing the best corporate governance practices.

5. Functions, Responsibilities and Duties of Directors

5.1. Functions

- a) To review the Company's strategy, the annual financial plan and monitor the Company's performance:

The primary role of the members of the Board is to exercise their business judgment to act in what they believe to be the best interests of the Company and its shareholders. It is the duty of the Board to ensure that the Management performs with competence and values to achieve the objectives of the Company. Generally, the Board meets once a quarter. The quarterly meeting of the Board includes updates on the business, financial and business-enabler functions and discussions on such updates. The Audit Committee of the Board reviews the Company's financials and recommends the same to the Board for its acceptance. The Board monitors the Company's performance against its annual financial plan at its quarterly meetings as well as at the end of the financial year.

- b) To review management performance and compensation:

The Nominations and Remuneration Committee of the Board evaluates the performance of the executive officers of the Company and recommends their compensation for the ensuing year to the Board. Such compensation may include stocks, options and variable pay.

c) To advice and counsel the Management:

The Board should be composed of individuals whose knowledge, background, experience and judgment are valuable to the Company. They should also be capable of providing advice to the executive officers of the Company. Members of the Board have full access to the Management (executive officers) and other employees as well as to the Company's records and documents. The Board may also seek legal or other expert advice from a source independent of the Management.

d) To monitor and manage potential conflicts of interests of the Management:

The Audit Committee of the Board reviews and approves related party transactions, as required under the applicable laws and / or the rules of applicable to the Company.

e) To oversee and ensure the integrity of financial information and legal compliance:

The Audit Committee of the Board oversees the Company's accounting and financial reporting processes and the audit of the Company's financial statements and assists the Board in the overseeing of (1) the integrity of the Company's financial statements, (2) the Company's compliance with legal and regulatory requirements, (3) the independent auditor's qualifications, independence and performance, and (4) the Company's internal accounting and financial controls.

5.2. Responsibilities

Independent directors have the same general legal responsibilities to the Company as that of any other director. The Board, as a whole, is collectively responsible for ensuring the success of the Company by directing and supervising the Company's affairs.

The Board:

- (a) provides entrepreneurial leadership of the Company within a framework of prudent and effective controls which enable risk to be assessed and managed;
- (b) sets the Company's strategic aims, ensures that the necessary financial and human resource requirements are in place for the Company to meet its objectives, and reviews management performance;
- (c) sets the Company's values and standards, ensures that its obligations to its shareholders and others are understood and met by the Company.

In addition to the criteria mentioned in the previous sections for the induction of directors, the role of independent directors also includes tracking, reviewing and providing feedback on:

- a. Strategy: Independent directors to constructively contribute to the development of the Company strategy;

- b. Performance: Independent directors to oversee the performance of the Management in meeting agreed goals and objectives and monitor the reporting of performance;
- c. Risk: Independent directors to evaluate and ensure that financial information is accurate, and that financial controls and systems of risk management are robust and defensible;
- d. People: Independent directors responsible for determining the appropriate levels of remuneration of Whole-time directors and the process of succession planning. They also have a prime role in appointing, and, where necessary, removing senior management.
- e. Stakeholders: Independent directors to balance the conflicting interest of the stakeholders, including minority shareholders. In the event of any conflict, they shall moderate and arbitrate in the interest of the Company as a whole.

5.3. Duties

As an Independent Director, you shall:

- a. undertake the appropriate induction into the Board and regularly update and refresh your skills, knowledge and familiarity with the Company;
- b. Enroll yourself into an online data bank and pass an online self-assessment proficiency test conducted by the Indian Institute of Corporate Affairs, within stipulated timelines, as may be applicable
- c. seek appropriate clarification and, where necessary, seek and follow appropriate professional advice from external experts at the expense of the Company;
- d. strive to attend every meeting of the Board and of the Board committees of which you are a member;
- e. actively and constructively participate in the Board committees of the Board in which you may be a member or the Chairperson;
- f. strive to attend the general meetings of the Company;
- g. ensure that any concerns that you may have about the running of the Company are addressed by the Board and seek inclusion of these concerns in the Board minutes to the extent these concerns are not resolved;
- h. keep yourself well informed about the Company and the external environment in which it operates;
- i. not unfairly obstruct the functioning of an otherwise proper Board or committee;
- j. ensure that related party transactions are considered carefully before they are approved and are in the interest of the Company;
- k. ensure that the whistle blower function of the Company is functioning adequately;
- l. report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics;
- m. within your authority, assist in protecting the legitimate interests of the Company, shareholders and its employees, and
- n. not disclose any confidential information unless such disclosure is expressly approved by the Board or required by law.

6. Status of Appointment

- 6.1 You will not be an employee of the Company and this letter shall not constitute a contract of employment. You 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. Further, you will also be paid remuneration by way of commission as may be approved by the Board and the Shareholders from time to time.
- 6.2 The sitting fees presently paid to the Independent Director is Rs. 35,000/- per meeting of the Board and Rs. 25,000 per Audit Committee meeting.

7. Reimbursement of Expenses

In addition to the remuneration described above, the Company will, for the period of your appointment, reimburse you for travel, hotel and other incidental expenses incurred by you in the performance of your role and duties.

8. D & O Insurance

The Company maintains a Directors and Officers insurance policy (D & O policy) to pay for the personal liability of directors and officers for claims made against them while serving on the Board and / or as an officer of the Company.

9. Term

Independent directors are eligible to serve for a period of two terms of up to 5 years each or until he/she has attained the maximum age of retirement as prescribed under the relevant laws, whichever is earlier. Provided that the term of the persons holding these positions may be extended beyond the maximum age in the manner specified under the relevant laws.

10. Evaluation

The Board of Directors and Nominations and Remuneration Committee will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors on an annual basis as per Company's Policy and applicable laws. Your appointment and re appointment on the Board shall subject to the outcome of the yearly evaluation process.

11. Disclosure of Interest

Any material interest that a Director may have in any transaction or arrangement that the Company has entered into should be disclosed no later than when the transaction or arrangement comes up at a Board meeting so that the minutes may record your interest appropriately and our records are updated. A general notice that you are interested in any contract with a particular person, firm or company is acceptable.

12. Code of Conduct

During the appointment you are required to comply with any relevant regulations as contained in Schedule IV under Companies Act, 2013, including the following codes of conduct of the Company (copies enclosed):

- i. Code of Conduct for Directors and Senior Management,
- ii. Code of Corporate Disclosure Practices for prevention of Insider Trading,

and such other requirements as the Board of Directors may from time to time specify.

13. Publication of the letter of appointment

In line with provision of Clause IV sub clause 6 of Schedule IV, under Companies Act, 2013, the Company will make public the terms and conditions of your appointment and will also arrange for it to be displayed on the Company's website.

14. Termination

- 12.1 You may resign from your position at any time and should you wish to do so, you are requested to serve a reasonable written notice on the Board. In terms of provisions of the Companies Act, 2013, you are required to file a copy of your resignation letter with the Registrar of Companies, Mumbai, Maharashtra.
- 12.2 Continuation of your appointment is contingent on your getting re-elected by the shareholders in accordance with provisions of Companies Act, 2013 and the Articles of Association of the Company, from time to time in force. You will not be entitled to compensation if the shareholders do not re-elect you at any time.
- 12.3 Your appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company from time to time in force.

15. General

- 13.1 This Letter and any non-contractual obligations arising out of or in connection with this Letter are governed by, and shall be construed in accordance with, the laws of India, and the parties agree to submit to the exclusive jurisdiction of the courts of Delhi.
- 13.2 Please confirm your agreement to the above by signing and returning the enclosed duplicate of this Letter.

It is a pleasure to have you on board. I am confident that your association, expertise and advice will immensely benefit the Company and the Board.

Best Regards,
Yours sincerely,

Chintan Valia
Chairman

I have read and agree to the above terms regarding my appointment as an Independent Director of

Name of the Director
DIN:
Date: