

## **Provestment Services Limited (“The Company”)**

### **Code of Conduct for Appointment of Independent Directors of the Company**

#### **Tenure of Appointment**

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for reappointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

#### **Criteria of Appointment**

- The Board of Directors of the Company inter alia has given due consideration to their candidature of being qualified as 'independent' in accordance with the provisions of the Act and the Listing Regulations.
- They are expected to continue to be qualified as 'independent' during their tenure and provide periodic declaration to the effect as prescribed under the Section 149(6) of Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015.

#### **Status of Appointment**

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

- **Remuneration:**  
The Remuneration shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.
- **Sitting Fees:**  
The Non-Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central

Government from time to time. The Director may however waive off at any time his entitlement & the sitting fees or any other benefit from time to time.

### **Performance Evaluation**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management at regular interval (yearly).

### **Role on the Board**

They are expected to provide their expertise, experience and inputs inter alia in the fields of business strategy, planning, management and corporate governance in the functioning of the Board and the committees of the Board they are or they may be nominated. They should allocate requisite time for Board and committee meetings, preparatory work and travel. The Board of Directors may, if it deems fit, invite them for being appointed on one or more existing committees of Board or any such committee that is set up in future. Their appointment on such committee will be subject to the applicable regulations.

### **Duties and Liabilities**

**As per Section 149 of the Act, they will be held responsible, 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.**

Their role and duties will be those normally required of a Non-Executive Independent Director under the Act and the Listing Regulations. 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.
- c. They shall discharge their duties with due and reasonable care, skill and diligence.
- d. They shall not involve themselves 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.
- f. They shall not assign their office as Director and any assignments so made shall be void.
- g. They will follow the Provestmnet Code of Conduct for Board Members and submit an annual confirmation of the same
- h. They will follow the highest standards of confidentiality. The laws and regulations that currently govern the duties and liabilities of an Independent Director are the Act (including rules thereunder) and the Listing Regulations.

i. Apart from other duties, they are specifically required to follow “the code for the Independent Director” as per Schedule IV of the Act.

j. Further, they are required to make disclosures as and when required as per the requirements of the Act and Listing Regulations.

### **Removal**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.

### **Termination**

The Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

### **Prohibition on Insider Trading**

They will follow the Provestment Code of Conduct for Prevention of Insider Trading and the requirements under the Act and relevant SEBI Regulations. They should not make any statements that might trigger a breach of these requirements except as permitted by law or without prior clearance from the Chairman or Company Secretary.

### **General**

All the terms as mentioned above including their appointment, remuneration, professional conduct, role, duties and liabilities and evaluation shall be governed by the Act and rules made thereunder and the Listing Regulations, as amended from time to time.

Their appointment and any non-contractual obligations arising out or in connection with their appointment shall be governed by, and shall be construed in accordance with the laws of India and subject to the exclusive Jurisdiction of the Courts of India.