

# Code of Conduct for Independent Directors

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TAKE Solutions Limited

In accordance with the provisions of Clause 49 (II) ( E) of the Listing Agreement and Schedule IV of the Companies Act, 2013 this Code of Conduct shall be adhered to by the Independent Directors of the Company.

## **I. Role and functions**

The Independent Directors shall:

- 1) Help in bringing an independent judgment to the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- 2) Bring an objective view in the evaluation of the performance of board and management;
- 3) Satisfy themselves on the integrity of financial information and that financial control and the systems of risk management are robust and defensible;
- 4) Safeguard the interests of all stakeholders, particularly the minority shareholders;
- 5) Balance the conflicting interest of the stakeholders;
- 6) Determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- 7) Moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

## **II. Duties**

The Independent Directors shall:

- 1) Undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- 2) Seek appropriate clarification or information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
- 3) Strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- 4) Participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- 5) Strive to attend the general meetings of the company;
- 6) Where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- 7) Keep themselves well informed about the company and the external environment in which it operates;
- 8) Not to unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board;
- 9) Pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;

- 10) Ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- 11) Report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- 12) Acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- 13) Not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

### **III. Manner of appointment**

- 1) Appointment process of Independent Directors shall be independent of the company management; while selecting Independent Directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.
- 2) The appointment of Independent Director(s) of the company shall be approved at the meeting of the shareholders.
- 3) The explanatory statement attached to the notice of the meeting for approving the appointment of Independent Director shall include a statement that in the opinion of the Board, the Independent Director proposed to be appointed fulfils the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.

### **IV. Re-appointment**

The re-appointment of Independent Director shall be on the basis of report of performance evaluation.

### **V. Separate meetings**

- 1) The Independent Directors of the company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management;
- 2) All the Independent Directors of the company shall strive to be present at such meeting;
- 3) The meeting shall:
  - a) Review the performance of non-independent directors and the Board as a whole
  - b) Review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
  - c) Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.