

## ***VOLTAS LIMITED***

### **Terms and conditions of re-appointment of Mr. Arun Kumar Adhikari as an Independent Director**

The terms and conditions of re-appointment of Mr. Arun Kumar Adhikari as an Independent Director is subject to the extant provisions of the (i) applicable laws, including the Companies Act, 2013 (2013 Act) and Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements), Regulations, 2015 (SEBI LODR) (as amended from time to time) and (ii) Articles of Association of the Company.

The broad terms and conditions of his re-appointment are as under:

#### **1. Re-appointment**

The re-appointment will be for a period of five years up to 7<sup>th</sup> June, 2027 and shall take effect from 8<sup>th</sup> June, 2022 (“**Term**”). The Company may disengage an Independent Director prior to completion of the Term subject to compliance of relevant provisions of the 2013 Act.

As an Independent Director, Mr. Arun Kumar Adhikari will not be liable to retire by rotation.

The re-appointment of Mr. Arun Kumar Adhikari has been considered based on the recommendation of Nomination and Remuneration Committee and his performance evaluation and he continues to meet the independence criteria.

Mr. Arun Kumar Adhikari is a Member of Audit Committee and Risk Management Committee and he will continue on these Committees. He may also be nominated as a Member / Chairman of one or more existing or new Committees of the Board, which may be constituted from time to time.

#### **2. Role, duties and responsibilities**

A. As member of the Board, Mr. Arun Kumar Adhikari along with other Directors will be collectively responsible for meeting the objectives of the Board which include:

- Requirements under the Companies Act, 2013,
- Responsibilities of the Board of Directors as outlined in the SEBI LODR,
- Accountability under the Director’s Responsibility Statement, and
- Additional responsibilities of the Board which includes

- Oversee maintenance of high standards of Tata values and ethical conduct of business.
- Review TBEM (Tata Business Excellence Model) findings and monitor the action plan.
- Protect and enhance the Company's and Tata brand, wherever the Company is using the same.

B. Mr. Arun Kumar Adhikari shall abide by the 'Code for Independent Directors' as outlined in Schedule IV of the 2013 Act, Code for Non-Executive Directors, as adopted by the Board and duties of Directors as provided in the 2013 Act (including Section 166) and in SEBI LODR.

C. Mr. Arun Kumar Adhikari will continue to provide guidance in his area of expertise.

### **3. Time Commitment**

Mr. Arun Kumar Adhikari agrees to devote such time as is prudent and necessary for the proper performance of his role, duties and responsibilities as an Independent Director.

### **4. Remuneration**

As an Independent Director, Mr. Arun Kumar Adhikari shall be paid sitting fees (as may be determined by the Board from time to time) for attending the meetings of the Board and the Committees of which he is a Member.

In addition to Sitting fees, commission that may be determined by the Board may also be payable to him. In determining the amount of his commission, the Board supported by the Nomination and Remuneration Committee may consider performance of the Company and his performance as evaluated by the Board.

Further, the Company may pay or reimburse to Mr. Arun Kumar Adhikari such expenditure, as may have been incurred by him while performing his role as an Independent Director of the Company. This could include reimbursement of expenditure incurred by him for accommodation, travel and any out of pocket expenses for attending Board / Committee meetings, General Meetings, Court convened meetings, meetings with Shareholders/ Creditors/ Management, site visits, induction and training (organized by the Company for Directors) and in obtaining, subject to such expenses being reasonable, professional advice from independent advisors in the furtherance of his duties as an Independent Director.

## **5. Insurance**

The Company has taken an appropriate Directors' and Officers' Liability Insurance policy and pays the premiums for the same. The Company shall maintain such insurance cover for the Term of his re-appointment, subject to the terms of such policy in force from time to time.

## **6. Tata Code of Conduct**

As an Independent Director of the Company, Mr. Arun Kumar Adhikari agrees to continue to comply with the Tata Code of Conduct for Non-Executive Directors and Independent Directors.

Unless specifically authorized by the Board, Mr. Arun Kumar Adhikari shall not disclose any information regarding the Company and its business to constituencies, including the media, the financial community, employees, shareholders, agents, franchisees, dealers, distributors and importers.

The obligation of confidentiality shall survive cessation of his directorship with the Company.

The provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the Company's Code of Conduct for Prevention of Insider Trading and the Company's Code of Corporate Disclosure Practices, prohibiting disclosure or use of unpublished price sensitive information would be applicable to Mr. Arun Kumar Adhikari.

Additionally, Mr. Arun Kumar Adhikari shall not participate in any business activity which might impede the application of his independent judgement in the best interest of the Company.

All Non-Executive Directors are required to sign a confirmation for acceptance of the Tata Code of Conduct for Non-Executive Directors and Independent Directors, as adopted by the Board on an annual basis. Mr. Arun Kumar Adhikari has given such confirmation

## **7. Training and Development**

The Company, shall, if required, conduct training programs, from time to time, as deemed fit for its Independent Directors which may include any or all of the following:

- Board roles and responsibilities, whilst seeking to build working relationship among the Board members,
- Company's vision, strategic direction, core values, ethics and corporate governance practices,
- Familiarization with financial matters, management team and business operations,

- Meetings with stakeholders, visits to business locations and meetings with senior and middle management.

The Company, if so required, may support the Directors to update their skills and knowledge and improve their familiarity with the Company and its business. The Company will fund / arrange for training on all such matters which are common to the entire Board.

## **8. Performance Appraisal / Evaluation Process**

As a Member of the Board, performance of Mr. Arun Kumar Adhikari as well as the performance of the entire Board and its Committees will be evaluated annually. Evaluation of each Director shall be done by all the other Directors. The criteria for evaluation shall be 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 / Committee.

## **9. Disclosures, other directorships and business interests**

During the Term, Mr. Arun Kumar Adhikari agrees to promptly notify the Company of any change in his directorships, and provide such other disclosures and information as may be required under the applicable laws. Mr. Arun Kumar Adhikari also agrees that upon becoming aware of any potential conflict of interest with his position as an Independent Director of the Company, he shall promptly disclose the same to the Chairman and the Company Secretary.

During his Term, Mr. Arun Kumar Adhikari has agreed to provide a declaration under Section 149(7) of the 2013 Act and Regulation 25(8) of SEBI LODR confirming that he meets the criteria of independence as provided in Section 149(6) of the 2013 Act and Regulation 16(1)(b) of SEBI LODR and that he is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his ability to discharge his duties with an objective of independent judgment and without any external influence. This declaration shall be submitted at the first Meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an Independent Director.

## **10. Changes of personal details**

During his Term, Mr. Arun Kumar Adhikari shall promptly intimate the Company Secretary and the Registrar of Companies, if so required, in the prescribed manner, of any change in address or other contact and personal details provided to the Company.

## 11. Disengagement

Mr. Arun Kumar Adhikari 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 him in the notice, whichever is later.

His directorship on the Board of the Company shall cease in accordance with the prevailing law. The Company may disengage an Independent Directors prior to completion of his Term upon violation of Tata Code of Conduct as applicable to Non-Executive Directors or for violation of duties of Independent Director as envisaged under the law. Further, the Company may disengage Independent Directors prior to completion of their Term subject to compliance with relevant provisions of the 2013 Act.

If at any stage during the Term, there is a change that may affect the status of Mr. Arun Kumar Adhikari as an Independent Director as envisaged in Section 149(6) of the 2013 Act read with the Rules framed thereunder or Regulation 16(1)(b) of SEBI LODR, Mr. Arun Kumar Adhikari has agreed to promptly submit his resignation to the Company with effect from the date of such change.

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