



THE TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTOR

[Pursuant to the provisions of Schedule IV of the Companies Act, 2013 and the Revised Clause of 49 of the Listing Agreement]

TERM OF APPOINTMENT

In terms of the resolution passed at the Hundred and First Annual General Meeting, an Independent Director of Simplex Realty Limited (the Company) is to hold the office of an Independent Director from 6th August, 2014, being the date of the Hundred and First Annual General Meeting upto the expiry of five consecutive years or the date of the Hundred and Sixth Annual General Meeting, whichever is earlier.

An Independent Director so appointed will not be subject to retirement by rotation during the above term.

Further, the tenure is subject to his/her meeting the criteria for being an Independent Director and not being disqualified to be a Director under the Companies Act, 2013 (the Act) and Listing Agreement.

The Independent Director may be required to serve on one or more of the Board Committees as may be decided by the Board from time to time.

INDEPENDENCE

The Board of Directors of the Company *inter- alia* gives due consideration to the declaration made by an Independent Director of being qualified as 'Independent' in accordance with the provisions of the Act, and the Listing Agreement and will be identified and disclosed as such in the Annual Report and other documents and publications of the Company. If circumstances change and he/she believes that it may not be possible to retain his/her independence, he/she should discuss this with the Chairman as soon as practicable.

ROLE, DUTIES AND RESPONSIBILITIES

The duties, responsibilities and liabilities that come with the appointment as Independent Director would be as per the applicable laws, Company Policies and the Articles of Association of the Company. The laws that currently govern the duties, responsibilities and liabilities of an Independent Director are the Companies Act, 2013, and the Listing Agreement with the Stock Exchange. An Independent Director will follow "the Code for Independent Director" as per Schedule IV to the Companies Act, 2013, and "Simplex Realty Limited Code of Conduct for Directors." An Independent Director is required to make disclosure of his/her interest as per the requirements of Section 184 of the Act.

As, an Independent Director, he/she may be held liable only in respect of such acts omission or commission by the Company which had occurred with his/her knowledge attributable through Board process and with his/her consent or connivance or where he/she had not acted diligently.

CODE OF BUSINESS CONDUCT

Each Independent Director will follow the 'Code of Conduct' adopted for the Directors of the Company and furnish an annual affirmation of the same.

The Independent Directors will apply the highest standards of confidentiality and not disclose to any person or Company (whether during the course of the tenure as Independent Director at any time after its cessation), any confidential information concerning the Company and any Group Companies with which he/she comes into contact by virtue of his/her position as Director, except for the compliance with any law or Court Order or with prior permission from the Chairman of the Company.

The attention of Independent Directors has also been drawn to the Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and the Company's Code of Conduct for Prevention of Insider Trading, prohibition disclosure or use of unpublished price sensitive information.

REMUNERATION

An Independent Director will be entitled to remuneration in accordance with the criteria, as approved by the Board of Directors on the recommendation by the Nomination and Remuneration Committee, within the overall limits approved by the Shareholders and the applicable legal provisions. He/she will also be entitled to fee for attending Meetings

of the Board or Committee thereof either personally or through video conference. The remuneration and fee payable shall be subject to applicable tax deduction at source.

In addition to the above, he/she will be entitled to reimbursement of the expense for participation in the Board and other Meetings.

INSURANCE

The Independent Director will be entitled to coverage under Director’s and Officer’s Liability Insurance as per the Company’s rules.

EVALUATION PROCESSES

Performance Evaluation of an Independent Directors as well as the performance of the entire Board and its Committees will be evaluated annually as may be required under the provisions of the Act. The criteria for evaluation will be determined by the Nomination and Remuneration Committee of the Board and will be disclosed in the Company’s Annual Report as required under the revised Clause 49 of the Listing Agreement.

GENERAL

All the terms as mentioned above including each and every Independent Director’s appointment, remuneration, professional conduct, role and functions, duties and evaluation shall be governed by the Act and Rules made there under and Corporate Governance requirements under the Listing Agreement, as modified from time to time.
