



रेलटेल कॉर्पोरेशन ऑफ इंडिया लिमिटेड
RailTel Corporation of India Ltd.

TERMS & CONDITIONS FOR APPOINTMENT OF INDEPENDENT DIRECTOR

The Part-time (Non-Official) Directors / Independent Directors on their appointment on Board of RailTel Corporation of India Ltd. ("**RailTel**" or "**the Company**") shall be abide by the following terms and conditions:

1. Appointment:-

- a) The appointment of Independent Director shall be for such period and on such terms & conditions as mentioned in their respective Order issued by the Railway Board, Ministry of Railways for their appointment as Part-time Non- Official Director / Independent Director on the Board of the Company.
- b) The appointment of Independent Director is subject to confirmation by the Shareholders in the next Annual General Meeting.
- c) The term Independent Director should be constructed as defined under the provisions of the Companies Act, 2013, SEBI (LODR) Regulations, 2015, and DPE Guidelines on Corporate Governance, as amended from time to time.
- d) The Independent Directors may be inducted on the various Committees of the Board or any other Committee(s) as may be constituted from time to time by the Board of Directors on the proposal mooted by the Executive management to look after the functions as per the provisions of the Companies Act, 2013 or any other statutory/regulatory provisions or for any other specific purpose.

2. Role, Functions and Duties:-

Independent Directors shall be required to undertake and discharge role, functions and duties in accordance with the applicable provisions of the Companies Act, 2013 and rules made thereunder and the SEBI (LODR) Regulations, 2015.

3. Remuneration and Reimbursement of Expenses:-

- a) Independent Directors will be paid remuneration by way of sitting fees of Rs. 20,000/- for attending every meeting of the Board of Directors or Committees thereof.
- b) In addition to payment of sitting fees, out-stationed Independent Directors shall be eligible for boarding, lodging and travelling expenses for attending the Board and Committee meetings or any other official meeting as per the rules applicable to the Directors of the

Company.

4. Induction:-

Independent Directors will be invited to participate in training and familiarization programs, including briefing from management and site visits as planned by the Company which will enable them to take informed decisions during the discharge of their duties.

5. Disclosure of Interest and declaration of independence:-

Independent Director shall disclose the nature of his interest as director, member, partnership in other companies, firms, body corporate etc. and also give a declaration of independence that he meets the criteria of independence as per Section 149 (6) of the Companies Act, 2013 at their first meeting of the Board held after their appointment and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances.

6. Termination:-

- a) Independent Director may resign from the Directorship position at any time by serving a written notice to the Ministry of Railways and / or the Board of Directors of RailTel stating the reasons for resignation.
- b) The tenure of appointment of Independent Director is subject to any further order of the Ministry of Railways.

7. Confidentiality:-

- a) All information in relation to the Company acquired during his/her tenure by an Independent Director shall be treated as confidential and shall not be disclosed to third parties without the prior permission of the Chairman & Managing Director/ RailTel, unless required by law.
- b) As a director, Independent Directors are subject to and bound by the prohibition and restrictions against insider trading and disclosure of unpublished price sensitive information, as prescribed under the Companies Act, 2013 and the regulations issued by Securities and Exchange Board of India ("SEBI"). They would have to strictly abide by the Internal Code of Conduct for Prevention of Insider Trading in dealing with Securities of RailTel pursuant to Regulation 9(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended or replaced from time to time), if any.

8. Liability:-

Subject to applicable law, for any breach of the duties of Independent Directors will be liable to consequences as prescribed under applicable laws and in relation to the Company, they would be liable for such acts of omission or commission by the Company which had occurred with their knowledge, attributable through Board processes, and with their consent or connivance, or where they have not acted diligently.

9. Insurance:-

The Company has obtained Directors and Officers Insurance Liability Policy.

10. Miscellaneous:-

- a) The appointment of Independent Directors is subject to the maximum permissible limit of directorships of the Board, membership / chairmanship of the committees that one can hold as per the provisions of the Companies Act, 2013, SEBI (LODR) Regulations and other applicable laws.
- b) The Independent Directors will not be an employee of the Company and the appointment letter / letter of appointment issued to them as per provisions of Section 149 of the Companies Act, 2013 shall not constitute a contract of employment.
