

Annexure I – Terms of Appointment and Schedule IV (section 149(8) of the Companies act, 2013)

1. Committees

The Board of Directors (the Board) may, if it deems fit, invite the Independent Director for being appointed on one or more existing Board Committees or any such Committee that is set up in the future. The Independent Directors appointment on such Committee(s) will be subject to the applicable regulations.

2. Status of Appointment

The Independent Director is not an employee of the Company and this letter shall not constitute a contract of employment. The Independent Director will be paid such remuneration by way of sitting fees for meetings of the Board and its Committees as may be decided by the Board. Further, the Independent Director may be paid remuneration by way of commission as may be approved by the Board and the Shareholders from time to time.

Reappointment at the end of the Term shall be based on the recommendation of the Remuneration Committee & any other committee, if requires, and subject to the approval of the Board and the shareholders. The reappointment would be considered by the Board based on the outcome of the performance evaluation process and the directors continuing to meet the independence criteria.

3. Reimbursement of Expenses

In addition to the remuneration described in paragraph 4, the Company will, for the period of the Independent Director appointment, reimburse the Independent Director for travel and hotel expenses incurred by the Independent Director in the performance of his/her roles and duties.

4. Independent Professional Advice

There could be occasions when the Independent Director may need professional advice in furtherance of his/her duties as a Director and it will be appropriate for the Independent Director to consult independent advisers at the Company's expense. The Company will reimburse the full cost incurred in accordance with the Company's policy.

Further, you need to follow below professional conduct:

An independent director shall:

- (1) Uphold ethical standards of integrity and probity;
- (2) Act objectively and constructively while exercising his duties;

- (3) Exercise his responsibilities in a *bona fide* manner in the interest of the company;
- (4) Devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- (5) Not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- (6) Not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- (7) Refrain from any action that would lead to loss of his independence;
- (8) Where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- (9) Assist the company in implementing the best corporate governance practices.

5. Disclosure of Interest

The Company must include in its Annual Accounts a note of any material interest that a Director may have in any transaction or arrangement that the Company has entered into. Such interest should be disclosed not later than when the transaction or arrangement comes up at a Board meeting so that the minutes may record the Independent Directors interest appropriately and our records are updated. A general notice that the Independent Director is interested in any contracts with a particular person, firm or company is acceptable.

6. Role and Duties

The Independent Directors roles and duties will be those normally required of a Non- Executive Independent Director under Section 166 of the Companies Act, 2013. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and which need to be comply by you.

Further, below mention roles and duties you need to follow:

Role:

The independent directors shall:

1. Help in bringing an independent judgment to bear on 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. Scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
4. Satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
5. Safeguard the interests of all stakeholders, particularly the minority shareholders;
6. Balance the conflicting interest of the stakeholders;
7. 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;
8. Moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

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 amplification of 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 behavior, 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.

7. Time Commitment

Considering the nature of the role of a Director, it is difficult for a company to lay down specific parameters on time commitment. The Independent Directors agree to devote such time as is prudent and necessary for the proper performance of their role, duties and responsibilities as Independent Director.

8. Conflict of Interest

- 8.1 It is accepted and acknowledged that the Independent Director may have business interests other than those of the Company. The Independent Director is required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of appointment.
- 8.2 In the event that the circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead the Board to revise its judgment that the Independent Director is independent, this should be disclosed to both the Chairman and the Secretary.

9. Confidentiality

All information acquired during the appointment is confidential to SCL and should not be released, either during the Independent Director appointment or following termination (by whatever means) to third parties without prior clearance from the Chairman unless required by law or by the rules of any stock exchange or regulatory body. On reasonable request, the Independent Director shall surrender any documents and other materials made available to the Independent Director by SCL.

10. Termination

- a. The Independent Director may resign from the position at any time and should the Independent Director wish to do so, the Independent Director is requested to serve a reasonable written notice to the Board.

- b. Continuation of the Independent Director appointment is contingent on the Independent Director getting re-elected by the shareholders in accordance with provisions of Companies Act, 2013, the Articles of Association of the Company, from time to time in force.
- c. The Independent Directors appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company from time to time in force.

11. Other Terms and Conditions

(1) Evaluation

The performance of ID will be evaluated as per the requirements of the Act.

(2) Liability

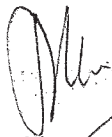
Subject to applicable law, for any breach of duties, ID will be liable to consequence prescribed under applicable law and in relation to the Company, ID would be liable for such acts of omission or commission by the Company which had occurred with his/her knowledge, attributable through Board processes, and with his/her consent or connivance, or where ID has not acted diligently.

Miscellaneous

- (3) The appointment of ID is also subject to the maximum permissible directorships that one can hold under applicable law, including as per the provisions of the Act and the Listing Agreement.
- (4) ID will be invited to attend ongoing training and familiarization sessions, including briefings from management and site visits.
- (5) ID shall not achieve or attempt to achieve any undue gain or advantage either to himself or his relative, partner or associates and if such director is found guilty of making such undue gain, he shall be liable to pay an amount equal to that gain to the Company.
- (6) ID shall not assign his office and any assignment so made shall be void

Yours Sincerely,

For ~~KMG Infotech Limited~~
For KMG INFOTECH LIMITED



Director

Ashok Kumar Girotra
(Director)
Din no-00947381