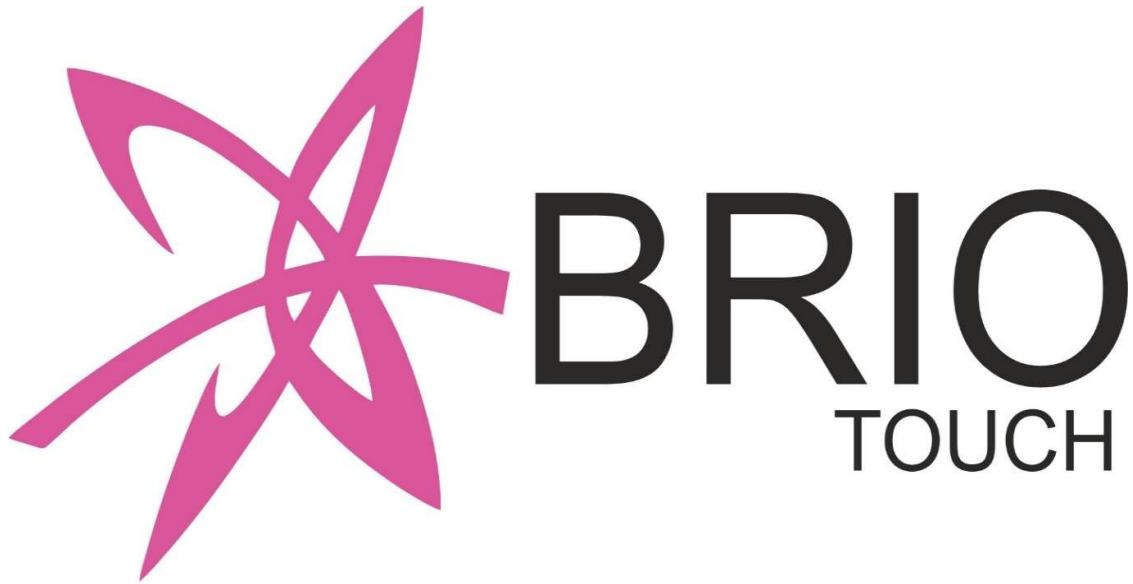


BRIO INTERACTIVE TECHNOLOGIES LIMITED



TERMS AND CONDITIONS FOR THE APPOINTMENT OF INDEPENDENT DIRECTOR

TERMS AND CONDITIONS FOR THE APPOINTMENT OF INDEPENDENT DIRECTOR

Appointment

The appointment of Independent Director shall be made in accordance with the provisions of the Companies Act, 2013 ("Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR") subject to fulfilment of criteria of independence.

The Independent Director shall be appointed for an initial term of five-years commencing from the date of his/her appointment, subject to the approval of Shareholders and shall not be liable to retire by rotation.

The Independent Director shall ensure at all the times, to maintain his/her independence as specified in Section 149 of the Act and Regulation 16 (b) of LODR. In case, the Independent Director comes to know about any circumstance(s) which potentially breach his/her independence with the Company, he/she shall promptly discuss the same with the Chairman or Managing Director or Company Secretary.

Tenure of Appointment

Initially the Independent Director shall be appointed for a term of five (5) years commencing from the date of his/her appointment and in terms of the provisions of the Act, he/she may be eligible to serve as an Independent Director for another term of up to 5 years, subject to the recommendation of the Nomination and Remuneration Committee and passing of special resolution by the shareholders of the Company.

After the expiry of two consecutive terms of Independent Director, he/she shall not be eligible to continue on the Board as Independent Director for the terms of 3 years from the date of expiry of second term of his appointment.

Role and Duties

The Role and Duties of Independent Directors shall be as laid down in the Act and LODR. In addition to general duties as outlined under Section 166 of the Act and Regulation 4 (2) (f) of LODR, Independent Directors shall strive to abide by the code of conduct, roles, functions and duties as set out in Schedule IV of the Act including but not limited to:

Role and Function:

The Independent Director shall:

- i. 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;
- ii. bring an objective view in the evaluation of the performance of the Board and the Management;

- iii. scrutinize the performance of Management in meeting agreed goals and objectives and monitor the reporting of performance;
- iv. satisfy yourself on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- v. safeguard the interests of all stakeholders, particularly the minority shareholders;
- vi. balance the conflicting interest of the stakeholders;
- vii. 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;
- viii. 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 Director shall:

- i. undertake the appropriate induction into the Board and regularly update and refresh your skills, knowledge and familiarity with the Company;
- ii. seek appropriate clarifications and, where necessary, seek and follow appropriate professional advice from external experts at the expense of the Company;
- iii. strive to attend every meeting of the Board and of the Board committees of which you are a member;
- iv. actively and constructively participate in the Board and Committees of the Board in which you may be a member or the Chairperson;
- v. strive to attend the general meetings of the Company;
- vi. ensure that any concerns that you may have about the running of the Company are addressed by the Board and seek inclusion of these concerns in the Board minutes to the extent these concerns are not resolved;
- vii. keep themselves well informed about the company and external environment in which it operates;
- viii. not unfairly obstruct the functioning of an otherwise proper Board or committee;
- ix. ensure that related party transactions are considered carefully before they are approved and are in the interest of the Company;
- x. ensure that the whistleblower function of the Company is functioning adequately;

- xi. report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics;
- xii. within your authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
- xiii. not disclose any confidential information unless such disclosure is expressly approved by the Board or required by law.

Code of Conduct:

The Independent Director shall:

- i. uphold ethical standards of integrity and probity;
- ii. act objectively and constructively while exercising your duties;
- iii. exercise your responsibilities in a bona fide manner in the interest of the Company;
- iv. devote sufficient time and attention to your professional obligations for informed and balanced decision-making;
- v. not allow any extraneous considerations that may vitiate your exercise of objective independent judgement in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgement of the Board in its decision-making;
- vi. not abuse your 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;
- vii. refrain from any action that could lead to a loss of your independence;
- viii. ensure that if circumstances arise under which you may lose your independence, you will immediately inform the Board accordingly;
- ix. assist the Company in implementing the best corporate governance practices.

In addition to above mentioned Code of Conduct, the Independent Director shall adhere to:

- i. Code of Conduct for Board and Senior Management framed under the SEBI Listing Regulations; and
- ii. Code of Conduct to regulate, monitor and report trading by Insiders framed by the Company under the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("Insider Trading Code").

Status and Remuneration

In terms of the provisions of the Act, Independent Director shall not be considered as an Employee of the Company. Therefore, 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 and/or Commission on the net profits of the Company as may be approved by the Shareholders from time to time.

Independent Director shall be paid:

- i. the Sitting Fees of Rs. 10,000/- or such fees as may be modified by Board, for attending the meetings of Board of Directors and Committees thereof.
- ii. The payment or reimbursement of such fair and reasonable expenditure, as may have been incurred while performing role as an Independent Director of the Company, which could include reimbursement of expenditure 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 its Directors, subject to prior consultation with Board, in the furtherance of duties as an Independent Director.

In terms of the provisions of the Act, Independent Director shall not be entitled to securities issued under Employee Stock Option Plan.

Disclosure of Interest

As a condition of appointment, Independent Director is required to submit various disclosures/ declarations under applicable laws and as per Company's policies including declarations with respect to any directorships, appointments and interests to the Board in writing. In no event Independent Director will serve as a Director in not more than seven listed entities and if Independent Director is to be appointed as a whole-time director in any listed company, he/ she will not serve as an Independent Director in more than three listed companies including the Company. Further, in no event Independent Director shall hold directorship in companies beyond the limits specified in Section 165 of the Act;

Every independent director shall, at the first meeting of the board in which he participates as a director and thereafter 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, submit a declaration that he meets the criteria of independence as provided in clause (b) of sub-regulation (1) of regulation 16 of 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 independent judgment and without any external influence.

Meeting of Independent Director

The independent directors of the Company shall hold at least one separate meeting in a financial year, without the presence of non-independent directors and members of the management.

The Company expects all the Independent Directors to strive to be present at this meeting.

The independent directors in their meeting shall, inter alia-

- a. review the performance of non-independent directors and the board of directors 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 management of the Company and the board of directors that is necessary for the board of directors to effectively and reasonably perform their duties.

Training Programmed for Independent Directors

The Company shall familiarize the independent directors through various programs about the Company, including the following:

- (a) nature of the industry in which the listed entity operates;
- (b) business model of the listed entity;
- (c) roles, rights, responsibilities of independent directors; and
- (d) any other relevant information.

Evaluation

As a member of the Board, each director's performance as well as the performance of the entire Board and its Committee's shall be evaluated annually. The performance evaluation of Independent Directors shall be done by the entire Board of Directors excluding the Director being evaluated.

Confidentiality

The Independent Director agrees that both during and after the term of appointment, Independent Directors will not use for his/her own, or for another's benefit, or disclose or permit the disclosure of any confidential information relating to the Company, which he/she may acquire by virtue of his/her position as an independent director of the Company, including without limitation, any information about the deliberations of the Board. The information shall not be released either during the appointment or following termination (by whatever means) to third parties without prior clearance from the Company unless required by law or any Regulatory Body. On reasonable request, the Director shall surrender any documents and other materials made available by Brio.
