



## **TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS**

The following are the terms and conditions of appointment of Independent Directors of the Company:

### **1. APPOINTMENT**

- (a) Independent Directors are appointed by the Members of the Company, on the recommendation of the Nominations and Remuneration Committee and the Board of Directors, for such period, not exceeding five years, as may be considered appropriate by the Board, or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines.
- (b) The Independent Directors will not be liable to retire by rotation.
- (c) The Independent Directors may be required to serve on one or more Board Committees as may be decided by the Board from time to time. Presently such Committees are Audit Committee, Nominations and Remuneration Committee and Stakeholders Relationship Committee. The role of these Board Committees would be such as may be determined by the Board from time to time.

### **2. ROLE, DUTIES, RESPONSIBILITIES AND LIABILITIES**

- (a) The duties and liabilities that come with the appointment as an Independent Director would be as per the applicable laws, the Articles of Association of the Company and the GH Code of Conduct.
- (b) As members of the Board, the Independent Directors along with the other Directors will collectively be responsible for meeting the objectives of the Board which include:
  - fulfilling requirements under the Companies Act, 2013 ('the Act') and the Rules thereunder;
  - performing responsibilities of the Board as outlined in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations');
  - taking accountability under the Directors' Responsibility Statement;
  - overseeing the maintenance of high standards of the Company's values and ethical conduct of business;
  - overseeing the Company's contribution towards Corporate Social Responsibility, if any; and
  - protecting and enhancing the Company's brand name and reputation.



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- (c) The Independent Directors will be expected to perform their fiduciary duties and exercise the skill and care expected of every Director. They shall also abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Act.
- (d) The Independent Director will be held liable only in respect of such acts of omission or commission by the Company which have occurred with his knowledge, attributable through Board processes, and with his consent or where the Independent Director have not acted diligently.

### **3. 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 Directors.

### **4. REMUNERATION**

- (a) The Independent Directors will be entitled to sitting fees for attending meetings of the Board and the Committees thereof. Presently, the sitting fees, as determined by the Board are ₹ 25,000/- for attending each meeting of the Board, and ₹ 15,000/- for each meeting of the Audit Committee, Nominations and Remuneration Committee, Stakeholders Relationship Committee and separate meeting of Independent Directors. The Company will bear the expenses for their attending the meetings of the Board and Board Committees, in terms of the Articles of Association of the Company.
- (b) Further, the Company may pay or reimburse the Independent Directors such reasonable expenditure, as may be incurred by them, while performing their role as Independent Director of the Company. This could include obtaining, subject to prior consultation with the Board, professional advice from independent advisors in the furtherance of their duties as Independent Directors.

### **5. CODE OF CONDUCT**

- (a) As Independent Directors of the Company, they agree to comply with the provisions of the GHL Code of Conduct, as adopted by the Board. The Independent Directors will also be required to affirm annually, compliance with the GHL Code of Conduct.



- (b) Unless specifically authorised by the Company, the Independent Directors will not disclose information in respect of the Company's affairs to the media, the financial community, the employees, the members, or to any other person. The obligation of confidentiality of the Independent Directors shall survive the cessation of their directorship from the Company.
- (c) The Independent Directors also agree to comply with the provisions of GHL Code of Conduct for Prevention of Insider Trading – 2019 read with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, in terms of which disclosure or use of unpublished price sensitive information is prohibited.
- (d) The Independent Directors shall not engage in any activity which might impede the application of their independent judgment in the best interest of the Company.

#### **6. INDUCTION AND DEVELOPMENT**

The Company will, from time to time, brief the Independent Directors on all business related matters, risk assessment & minimisation procedures, and proposed new initiatives. They will also be updated on changes / developments in the domestic and industry scenario including those pertaining to statutes / legislation and economic environment.

#### **7. PERFORMANCE EVALUATION PROCESS**

Performance of the Independent Directors as well as the performance of the entire Board and the Board Committees will be evaluated annually as required under the provisions of law, against the parameters for evaluation laid down by the Nominations and Remuneration Committee.

#### **8. CONFLICT OF INTEREST**

- (a) It is accepted and acknowledged that the Independent Directors may have business interests other than those of the Company. They are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form(s).
- (b) During their term, the Independent Directors agree to promptly provide declaration under Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations, upon any change in the circumstances which may affect their status, individually, as Independent Director. Further, they also agree to confirm, individually, compliance with the said criteria of independence every financial year, along with a confirmation that they are not aware of any circumstance or situation,



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which exist or may be reasonably anticipated, that could impair or impact their ability to discharge duties with an objective independent judgment and without any external influence.

**9. GENERAL**

- (a) Actions, in particular that should not be taken by the Independent Directors while in office, include the following:
- (i) Action that involves any violation of applicable law;
  - (ii) Action that involves breach of the GHL Code of Conduct;
  - (iii) Action that either involves their personal interest, except as disclosed in terms of the applicable laws, or compromises or conflicts with the interest of the Company.
- (b) During their term, the Independent Directors agree to keep their names included in the databank of Independent Directors and comply with the other conditions prescribed under the Companies (Appointment and Qualification of Directors) Rules, 2014.
- (c) As required under the Listing Regulations, your detailed profile has been disclosed on the Company's website and to the Stock Exchange where the Company's shares are listed.
- (d) You shall promptly intimate the Company Secretary and the Registrar of Companies in the prescribed manner, of any change in address or other contact and personal details provided to the Company.

The Terms and Conditions will be posted on the Company's website [www.gujarathotelsltd.in](http://www.gujarathotelsltd.in).

This will be effective from 11<sup>th</sup> January, 2024 and will be reviewed by the Board as and when deemed necessary.

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The Terms and Conditions were approved by the Board on 11<sup>th</sup> January, 2024.