



MVL's INDEPENDENT DIRECTOR APPOINTMENT & COMPENSATION POLICY

The Board of Directors ("the Board") of Magnum Ventures Limited ("the Company") has adopted MVL's Independent Director Appointment & Compensation Policy (hereinafter called "the Policy"), effective as of September 01, 2015, for the existing as well as the newly appointed Independent Directors of the Company in compliance of Section 149 read with Schedule IV of the Companies Act, 2013 and Regulation 25 and other related Regulations of Securities Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015.

The Policy is a guide to professional conduct for Independent Directors. Adherence to these standards by Independent Directors and fulfillment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of Independent Directors. The compensation policy has been developed to compensate Independent Directors of the Company for their time, commitment and contributions to the Board. This policy shall apply to directors of the Company who are not Company employees and who are not affiliated with the Company, its subsidiaries, Promoters and Associates.

General and Other terms and conditions of appointment of Independent Directors are as under:

General Conditions of appointment of Independent Directors:

The appointment of Independent Directors is subject to approval of shareholders at the General Meeting of the Company and they will not be liable to retire by rotation. Further their tenure is subject to the meeting the criteria for being Independent Director and not being disqualified to be Director under the applicable regulations. So long as they are Independent Director of the Company, the number of companies in which they hold office as a Director or a Chairman or committee member will not exceed the limit stipulated under the Companies Act, 2013 and the SEBI (LODR) Regulation 2015 as amended from time to time.

Role on the Board

They are expected to provide their expertise and experience in the functioning of the Board and the Committees of the Board, they may be nominated. In addition of the routine Board Meeting they should allow time for Committee meetings, preparatory work and travel and ensure that they are in a position to make the necessary overall time commitment.

They may be nominated on one or more committees of the Board and in such event they will be provided with the relevant Committee's terms of reference and any specific responsibilities.

Code of Conduct and Duties and Responsibilities

1. They will abide by Code of Business Conduct and Ethics applicable to Non-Executive Directors and business principles to the extent applicable to an Independent Director of the Company.
2. They will abide by the guidelines of professional conduct, role, function and duties as an Independent Directors provided in Schedule IV of the Companies Act, 2013, as set out at Annexure-1 hereto.

3. They are expected to stay updated on how best to discharge their roles, responsibilities, and duties and liabilities, as an Independent Director of the Company under applicable law, including keeping abreast of current changes and trends in economic, political, social, financial, legal and corporate governance practices.

4. They are expected to:

- a. take decisions objectively and solely in the interests of the Company;
- b. facilitate Company's adherence to high standards of ethics and corporate behavior;
- c. guide the Board in monitoring the effectiveness of the Company's governance practices and to recommend changes, required if any;
- d. guide the Board in monitoring and managing potential conflicts of interest of Management, Board Members and Stakeholders, including misuse of corporate assets and abuse in related party transactions;
- e. guide the Board in ensuring the integrity of the Company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.

Performance Evaluation

Their re-appointment or extension of term and their remuneration/ meeting fees will be recommended by the Nomination and Remuneration Committee of the Board, pursuant to a performance valuation carried out by the Board.

Remuneration

1. Their remuneration will be paid in the form of sitting fees for attending each meeting of the Board and its Committees as may be determined by the Board from time to time.
2. They will be entitled to reimbursement of expenses incurred by them in connection with attending the Board meetings, Board Committee meetings.

Insurance

The Directors would be covered/ indemnified as per policy of the Company.

Prohibition on Insider Trading

They will follow Company's Policy on Insider information and the requirements under the Companies Act, 2013 and SEBI Regulations, which inter-alia requires that price-sensitive information is not used or transmitted and maintained securely. They should not make any statements that might risk a breach of these requirements.

Other terms and conditions of appointment of Independent Directors

The Independent Directors will have access to confidential information, whether or not the information is marked or designated as "confidential" or "proprietary", relating to the Company and its business including legal, financial, technical, commercial, marketing and business related records, data, documents, reports, etc., client information, intellectual property rights (including trade secrets), ("Confidential Information"). They shall use reasonable efforts to keep confidential and to not disclose to any third party, such Confidential Information.

If any Confidential Information is required to be disclosed by them in response to any summons or in connection with any litigation, or in order to comply with any applicable law, order, regulation or ruling, then any such disclosure should be, to the extent possible, with the prior consent of the Board.

Annexure-1

Guidelines of professional conduct, Role, Function and Duties as an Independent Director (As provided in Schedule IV of the Companies Act, 2013)

Guidelines for Professional conduct:

1. To uphold ethical standards of integrity and probity;
2. To act objectively and constructively while exercising your duties;
3. To exercise their responsibilities in a bona fide manner in the interest of the Company;
4. To devote sufficient time and attention towards your professional obligations for informed and balanced decision making;
5. To not allow any extraneous considerations that will vitiate their 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. To not abuse their 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. To refrain from any action that would lead to loss of their independence, where circumstances arise which make an independent Director lose his independence, the independent Director must immediately inform the Board accordingly;
8. To assist the Company in implementing the best corporate governance practices.

Role and functions:

1. Assist 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 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.

Duties:

1. Moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.
2. Undertake appropriate induction and regularly update and refresh your skills, knowledge and familiarity with the Company.
3. 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.
4. Strive to attend all meetings of the Board including a Separate meeting of the independent director and of the Board committees of which they are member.
5. Participate constructively and actively in the committees of the Board in which they are chairperson or member.
6. Strive to attend the general meetings of the Company.
7. 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 your concerns are recorded in the minutes of the Board meeting.
8. Keep themselves well informed about the Company and the external environment in which it operates.
9. Not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board.
10. 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.
11. 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.

12. Report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.

13. Acting within their authority, assist in protecting the legitimate interests of the Company, shareholders and its employees.

14. 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.

Capabilities required for an independent director:

a) Positive Attributes:

i) Experience of management in a diverse organization;

ii) Excellent interpersonal and communication skills;

iii) Leadership skills;

iv) Having continuous professional development to refresh knowledge and skills.

v) Commitment to high standards of ethics, personal integrity and probity;

vi) Commitment to the promotion of equal opportunities and health and safety in the workplace.

b) Shall possess a Director Identification Number or any other identification number prescribed by the Central Government which shall be treated as Director Identification Number for the purposes of the Act;

c) Shall not be disqualified under the Companies Act, 2013 or pursuant to any order of other such authority;

d) Shall give his written consent to act as a Director;

e) Shall endeavour to attend all Board meetings and wherever he is appointed as a Committee Member, the Committee meetings;

f) Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel;

g) Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;

h) Shall abide by the provisions of Section 166 of the Companies Act, 2013 which lays down the duties of directors as under:

i. Subject to the provisions of Companies Act, 2013, a director of a company shall act in accordance with the articles of the company.

ii. A director of a company shall act in good faith in order to promote the objects of the company for the benefit of its members as a whole, and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment.

iii. A director of a company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.

iv. A director of a company shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.

v. A director of a company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.

vi. A director of a company shall not assign his office and any assignment so made shall be void.

Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013 and other relevant laws.

**Updated MVL's Independent Director Appointment & Compensation Policy approved in the Board Meeting held on 10th August, 2022.*

For and on behalf of **Magnum Ventures Limited**

Signed and approved by-
Board of Directors