



Terms and Conditions of Appointment of Independent Directors of Vesuvius India Limited

An Appointment Letter mentioning the tenure of appointment of the Director, the Company's expectations from them, their role and responsibilities as a Director, their remuneration, their commitment to attend and participate at meetings and the requirement of maintaining confidentiality is issued to Independent Directors after their appointment at a General Meeting of the Shareholders of the Company.

In compliance with clause 49(II)(B)(4)(b) of the Listing Agreements with the stock exchanges as revised with effect from October 1, 2014, the Terms and Conditions of Appointment of Independent Directors of Vesuvius India Limited are briefly mentioned below:

- a) **Term of Appointment** : The tenure of appointment will be for maximum two terms of 5 years each as per the requirements of section 149 of the Companies Act, 2013. During their term they will not retire by rotation.
- b) **Attendance at meetings** : The Director will ensure attendance at all meetings of the Board and Committees in which he is nominated and also the General Meetings of the Shareholders of the Company. He will commit sufficient time for preparation and attendance at meetings and to regularly update and refresh his skills and knowledge with regard to his role as a Director.
- c) **Role and Responsibility** : The role of the Board of Directors is to effectively represent and promote the interests of stakeholders and ensure long term value addition while abiding by compliances and good governance. The Board directs and supervises management of the business and affairs of the Company. An Independent Director will be required to act in the best interests of the Company, to exercise his role and functions in such a manner so that the Board performs its role effectively and also to take decisions objectively in the interests of the Company and all stakeholders. The Board as a whole is collectively responsible for the success of the Company to which each Independent Director will contribute. All Directors, whether non-executive or executive, have the same general legal responsibilities.
- d) **Compliances, Disclosures and Confidentiality** : The Director will comply with all the Rules and Regulations applicable to him as a Director and will make all disclosures required of him within due dates. He will strictly comply with the Company's Policies including Code of Conduct, Anti- Bribery and Anti-Corruption Policy. He will keep confidential all information received by him with regard to the Company and its holding and affiliate companies. This duty of confidentiality will continue to apply even after he has ceased to be a Director of the Company.
- e) **Nomination to Committees** : The Director is expected to serve as a member of the Committees of the Board to which he is nominated and is made aware of the Committee's terms of reference and the Director's responsibilities.

- f) **Induction and Development Processes :** The Company provides to all its Directors a comprehensive induction and familiarisation programme aimed at broadening their understanding of the Company, its business, the environment and markets in which it operates and an introduction to senior management team of the Company. The Directors are required to be updated on current topics, good governance practices, statutory compliances, their own areas of expertise, business requirements of the Company and also on how to best discharge their role, functions and responsibilities as Directors of the Company.
- g) **Board Evaluation :** If required under the provisions of the Companies Act, 2013 and Rules made thereunder and if the Board so decides, performances of the Board as a whole, its Committees and individual Directors will be evaluated annually.
- h) **Remuneration :** The Independent Directors will receive sitting fees for attending meetings of the Board and Committees and also commission on profits of the Company, within the limits permitted under the Companies Act, 2013.

The Company reimburses all expenses incurred by a director for attending meetings of Directors and for meetings with senior officials of the Company, shareholders, customers, lawyers, officials from the holding company and other meetings held for Company's work. The Company generally provides travel, accommodation and local transport for Directors who are not resident of the location where these meetings are held.

Directors will also be reimbursed fees for professional services rendered by them in their professional capacity subject to the compliances and other provisions of the Act. "

Date : November 10, 2014