

DLF HOME DEVELOPERS LIMITED

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

1. APPOINTMENT & TENURE

The appointment of Independent Director for initial term is generally for a period of 5 (five) consecutive years unless vacated and/ or terminated earlier, as per provisions of the applicable laws. This tenure is subject to meeting the criteria for being an Independent Director and not being disqualified to be a Director under applicable laws on a continuous basis.

Independent Director is not liable to retire by rotation.

The appointment and continuation of office of Independent Director is subject to the applicable provisions of the Companies Act, 2013 ('Act') and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended from time to time.

2. BOARD COMMITTEES

During the tenure of office, Independent Director may be required to serve on one or more Committee(s) of the Board constituted by the Company ("Committees") and shall be provided with the appropriate Committee charter which sets-out the terms of reference of the relevant Committee.

The Board may invite an Independent Director for being appointed on one or more existing Board Committee(s) as specified above or any such Committee that may be constituted in the future.

3. TIME COMMITMENT

Independent Director is expected to bring objectivity and independence of view to the Board's deliberations and to help the Board with effective overview of the Company's strategy, performance, social commitments and risk management and ensure high standards of financial integrity and governance. Independent Director is required to perform the duties expected including (without limitation) attending Board/ Committee meeting(s) of which an Independent Director is a member and shareholders meeting(s) and to devote such time, as appropriate, for Independent Director to discharge responsibility(ies) and duty(ies) effectively.

4. ROLE & DUTIES

Role and duties of Independent Director will be as set-out under the Act and the Listing Regulations, as amended from time to time including but not limited to the fiduciary duty(ies) associated with the office of an Independent Director. Independent Director (and without prejudice to the roles, functions and duties specified in Schedule IV of the Act), shall:

- (i) act in accordance with the AOA;
- (ii) act in good faith in order to promote the objectives of the Company for the benefits of its members as a whole and in the best interest of the Company;
- (iii) discharge responsibilities and duties with due and reasonable care, skill and diligence by exercising independent judgement;
- (iv) strive to attend every meeting of the Board and its Committee(s) of which Independent Director is a member and general meeting(s);
- (v) strive to attend any other meeting(s), where Independent Director's attendance is solicited;
- (vi) provide strategic direction and also act as a constructive critic in evaluating the proposal and plans on strategic direction;
- (vii) evaluate and scrutinise the performance of the management in meeting agreed goal(s) and objective(s);
- (viii) satisfy on the integrity of financial information and that financial controls and systems of risk management are robust and compliant with applicable laws;
- (ix) keep well informed about the Company and the external environment in which it operates; and
- (x) ensure that the vigil mechanism policy of the Company is implemented and report concerns about any unethical behaviour, actual or suspected fraud or violation of the Code of Conduct (as defined below).

5. ADHERENCE TO THE CODE OF CONDUCT

During the tenure, Independent Director of the Company is required to comply and abide with the provisions of the Act and the Listing Regulations including the following:

- (i) Code for Independent Directors outlined in Schedule IV of the Act and duties of Directors as provided in the Act including Section 166 of the Act and Regulation 17 of the Listing Regulations;
- (ii) Code of Conduct for Board and Senior Management framed under the Listing Regulations; and
- (iii) Code of Conduct to regulate, monitor and report trading by Insiders framed by the Company under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("Insider Trading Code").

6. PROFESSIONAL CONDUCT AND CONFLICT OF INTEREST

Independent Director shall not:

- (i) participate in or vote at any meeting(s) of the Board/ Committee(s) wherein interested;
- (ii) achieve or attempt to achieve any undue gain or advantage either for self or for relative(s), partner(s), or associate(s);
- (iii) allow any extraneous consideration to vitiate exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring with or dissenting from the collective judgment of the Board in its decision making;
- (iv) abuse position to the detriment of the Company or its shareholders;
- (v) unfairly obstruct the functioning of the Board or Committee meeting(s);
- (vi) put in a position which results in a direct or indirect conflict of interest or possible conflict of interest with the Company; and
- (vii) assign office of an Independent Director and any assignment so made shall be void.

7. CONFIDENTIALITY

- (i) All information including commercial secret(s), operation(s), technology(ies), advertising and sales promotion plan(s) related to the Company and/ or DLF Group that is acquired by Independent Director or provided during the tenure is confidential to the Company and should not be released/ disclosed either during the tenure or following termination (by whatever means) to third party(ies) without prior authorisation by the Board, unless such release/ disclosure is required by law or by the rules of any stock exchange or regulatory body(ies)/ authority(ies). Accordingly, Independent Director is expected to maintain all agenda(s), note(s), data, record(s) and other document(s) in any way relating to the Company or the Company's business interest, as highly confidential and maintain them as inaccessible to others;
- (ii) Independent Director to adhere to the requirement(s) under the applicable regulation(s) and the Insider Trading Code in relation to the disclosure of unpublished price sensitive information and dealing in the securities of the Company. Consequently, Independent Director should avoid making any statements or performing any transaction that might risk a breach of these requirement(s) without prior clearance from the Board; and
- (iii) At all times and notwithstanding ceasing to be an Independent Director of the Company, Independent Director is expected not to use such information for personal, or commercial or professional benefit or disclose such confidential information to third party(ies) who may use the same for their personal, or commercial or professional benefit, or otherwise engage in any activity(ies) that would constitute insider trading.

8. DISCLOSURES OF INTEREST

- (i) It is accepted and acknowledged that Independent Director may have business interests other than those of the Company. As a condition of appointment, Independent Director is required to submit various disclosure(s)/ declaration(s) under applicable laws and as per Company's policies including declaration(s) with respect to any directorship(s), appointment(s) and interest(s) to the Board in writing. Independent Director will not serve in more than seven listed companies including the Company and if to be appointed as a whole-time director in any listed company, shall 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;
- (ii) During the term of appointment, Independent Director to promptly notify the Company of any change in his/ her directorship(s) and provide such disclosure and information as may be required under the applicable laws; and
- (iii) Independent Director shall refrain from any action that would lead to loss of independence. In the event that the circumstances seem likely to change which might give rise to conflict of interest or such change in his/ her circumstances could lead the Board to revise its judgement regarding his/ her independence, such changes or possible changes in his/ her circumstances should be disclosed to the Board promptly.

9. EVALUATION

The Company shall carry out an evaluation of the performance of the Board as a whole and of the Committee(s) and director(s) of the Board on an annual basis as per the Company's policy. The performance evaluation of independent directors shall be done by the entire Board, excluding the director being evaluated. The appointment/ re-appointment on the Board shall be subject to the outcome of such annual evaluation process.

10. INDEPENDENT DIRECTORS' MEETING

A separate meeting of the Independent Directors will be held at least once every year without the attendance of the non-independent directors and the members of the management. The Company expects all the Independent Directors to strive to be present at this meeting.

11. LIABILITY UNDER THE ACT

Pursuant to the provisions of the Act, an Independent Director will be liable only in respect of such 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 he/ she had not acted diligently.

12. DIRECTORS AND OFFICERS (D&O) LIABILITY INSURANCE POLICY

DLF Limited, Holding Company has a Directors and Officers (D&O) liability insurance policy in place, with aggregate amount of ₹ 150 crore (Rupees One Hundred and Fifty Crore only), under which all directors including Independent Directors of the Company are covered.

13. REMUNERATION

Independent Director on the Board shall be entitled to:

- (i) Sitting fee of ₹ 20,000/- (Rupees twenty thousand only) or such fee as modified by the Board for attending each Board meeting and meetings of the Committee(s) thereof.
- (ii) Commission, if approved by the Board would be paid on annual basis within the limits as prescribed under the Act.
- (iii) The Company may pay or reimburse such fare and reasonable expenses, 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 meeting(s), General Meeting(s), court convened meeting(s), meeting(s) with shareholders/ creditors/ management, site visit(s), 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.

14. TERMINATION

- (i) Independent Director may resign from his/ her position at any time by giving a notice in writing to the Company stating reasons of resignation. The resignation shall take effect from the date on which the notice is received by the Company or the date if any specified by him/ her in the notice, whichever is later.
- (ii) Independent Director shall cease to hold office of Independent Director if fails to meet the criteria for an Independent Director mentioned in the Act and/ or the Listing Regulations and/ or if otherwise disqualified and shall forthwith intimate the Company of such an event and promptly submit resignation to the Company with effect from date of such change.

- (iii) The Company can also terminate his/ her directorship in accordance with the procedure set-out in Section 169 of the Act. Apart from the grounds of termination as specified in the Act, his/ her directorship may be terminated for violation of any provisions of this appointment letter.

15. COOPERATION

In the event of any claim or litigation against the Company, based upon any alleged conduct, act or omission on part of Independent Director during the term, Independent Director shall render all reasonable assistance and cooperation to the Company and provide such information and documents as are necessary and reasonably required by the Company or its counsels.

16. PUBLICATION OF THE LETTER OF APPOINTMENT

The Company shall disclose the terms and conditions of appointment on the website of the Company.

17. CHANGES IN PERSONAL DETAILS

During term, Independent Director shall promptly intimate the Company in the prescribed manner, of any change in address or other contact or personal details provided by Independent Director to the Company.

18. GENERAL

The appointment letter and any non-contractual obligations arising out of or in connection with the letter are governed by and shall be construed in accordance with, the laws of India and the parties agree to submit to the exclusive jurisdiction of the courts in Delhi.