

## Terms & Conditions of appointment of Independent Directors

### **1. Appointment**

In accordance with the provisions of the Companies Act, 2013 ("Act") and other applicable laws, you will serve as an Independent Director of the Board from \_\_\_\_\_ ("date of appointment") through \_\_\_\_\_ ("First Term"). As an Independent Director you will not be liable to retire by rotation and your appointment is subject to the approval of shareholders at the ensuing Annual General Meeting of the Company.

In terms of the Act, you 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.

The terms of your appointment, as set out in this letter, are subject to the extant provisions of the (i) applicable laws, including the Act and the Listing Regulations (as amended from time to time) and (ii) Articles of Association of the Company ("AOA").

### **2. ROLE, FUNCTIONS AND DUTIES**

As a member of the Board your role, functions and duties will be those normally required fiduciary in nature and as prescribed for all Directors, both Executive and Non-Executive, under Section 166 of the Act and as mentioned under the Listing agreement and will be collectively responsible for meeting the objectives of the Board.

In addition to the above requirements, You shall abide by the 'Code For Independent Directors' as outlined in Schedule IV to Section 149(8) of the Act, and the duties of directors as provided in the Act (including Section 166) and in Regulation 4(2)(f) of the Listing Regulations as in force and as may be amended from time to time. While performing such duties, roles and functions, you shall abide by the 'Guidelines of Professional Conduct' as stated under the said Schedule. You will provide guidance in your area of expertise.

### **3. LIABILITY**

An Independent Director is liable for accompanying liabilities which are associated with that position. Non-compliance with any applicable law including the Companies Act could attract punishment / liabilities under the Companies Act.

As per the provisions of the Companies Act, Independent Directors shall be held liable, only in respect of such acts of omission or commission by the Company which had occurred with their knowledge, attributable through Board processes, and with their consent or connivance or where they had not acted diligently.

### **4. MEMBERSHIP OF COMMITTEES**

The Board of Directors may appoint you as Member / Chairman of one or more of its Committees which will be covered in a separate communication setting out the relevant committee's terms of reference and any specific responsibilities.

## **5. D & O INSURANCE**

The Company will indemnify the Independent Directors for any liability arising on account of default.

## **6. FEES/ REMUNERATION**

You will be paid such remuneration by way of sitting fees per meeting of the Board and its Committees as may be decided by the Board from time to time which will be within the ceiling prescribed under the Act and reimbursement of expenses for participating in the Board and the Committee meetings.

You will not be paid remuneration in any other form apart from the sitting fees, etc. as mentioned above.

You will have no entitlement to any bonus during the appointment or in any employee stock option scheme operated by the Company.

## **7. CODE OF CONDUCT**

During the appointment, you shall comply with the following codes of conduct of the Company and furnish an annual affirmation of the same as mentioned in the Code of Conduct for Board of Directors and Code of Conduct for Prevention of Insider Trading and such other requirements as the Board of Directors may from time to time specify.

## **8. DISCLOSURES, BUSINESS INTERESTS AND OTHER DIRECTORSHIPS.**

During the term, you shall promptly notify the Company of any material interest that you may have in any transaction or arrangement that the Company enters into or any change in your directorships and provide such other disclosures and information as may be required under the applicable laws.

You also agree that upon becoming aware of any potential conflict of interest with your position as Independent Director of the Company, you shall promptly disclose the same to the Company Secretary.

## **9. PERFORMANCE EVALUATION PROCESS**

Your re-appointment will be recommended by the Nomination and Remuneration Committee of the Board pursuant to performance evaluation carried out by the Board as prescribed under the Act. Further, the annual evaluation exercise will be conducted by the Nomination and Remuneration Committee as per the relevant provisions of the Companies Act, 2013 and SEBI Listing Regulations.

## **10. TRAINING AND DEVELOPMENT**

The Company may, if required, conduct formal training programmes for its Independent Directors. The training programmes may be conducted during the time of Meeting held by the Independent Directors annually or at any such time as may be required.

### **11. Independent Directors' discussion**

Annually and when required, the Independent Directors meet without the presence of Non-Independent Directors and members of the Management. At this meeting, the Independent Directors inter alia evaluate the performance of the Non-Independent Directors and the Board of Directors as a whole, evaluate the performance of the Chairman of the Board.

## **12. CONFIDENTIALITY**

All information acquired during your appointment is confidential to the Company and should not be released, either during your appointment or following termination (by whatever means) to third parties without prior clearance from the Company unless required by law or by the rules of any stock exchange or regulatory body. On reasonable request, you shall surrender any documents and other materials made available to you by the Company in this regard.

Your attention is also drawn to the requirements under the applicable regulations and the Company's Insider Trading Code which concern the disclosure of price sensitive information and dealing in the securities of the Company. Consequently you should avoid making any statements or performing any transactions that might lead to breach of these requirements, without prior clearance from the Chairman.

## **13. TERMINATION**

You may resign from your position at any time and should you wish to do so, you shall serve a reasonable written notice to the Board. In terms of provisions of the Act, you are required to file a copy of your resignation letter with the Registrar of Companies, Mumbai.

Continuation of your appointment is contingent on your getting re-elected by the shareholders in accordance with provisions of the Act and the Articles of Association of the Company, as amended from time to time.

Notwithstanding other provisions of this Letter, your appointment may be terminated in accordance with the provisions of the Articles of Association of the Company or on failure to meet the parameters of independence as defined in Section 149(6) or on the occurrence of any event as defined in Section 167 of the Act.

### **14. Changes in personal details**

During your Term, 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.

## 15. Extension of Term

Upon the expiry of your First Term and subject to your eligibility under the relevant provisions of the Act, Rules, Listing Regulations and other applicable laws, as prevailing from time to time and subject to annual performance evaluation and recommendations of the Nomination and Remuneration Committee, the Board may, at its discretion, recommend to the shareholders renewal of your term. Further, an independent director will not be appointed for more than 2 consecutive terms. Further, an independent director shall be eligible for appointment after the expiration of three years of ceasing to become an independent director.

Provided that an independent [director](#) shall not, during the said period of three years, be appointed in or be associated with the [company](#) in any other capacity, either directly or indirectly.

## 16. Other responsibilities:

1. The board of directors shall provide strategic guidance to the listed entity, ensure effective monitoring of the management and shall be accountable to the listed entity and the shareholders.
2. The board of directors shall set a corporate culture and the values by which executives throughout a group shall behave.
3. Members of the board of directors shall act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the listed entity and the shareholders.
4. The board of directors shall encourage continuing directors' training to ensure that the members of board of directors are kept up to date.
5. Where decisions of the board of directors may affect different shareholder groups differently, the board of directors shall treat all shareholders fairly.
6. The board of directors shall maintain high ethical standards and shall take into account the interests of stakeholders.
7. The board of directors shall exercise objective independent judgement on corporate affairs.
8. The board of directors shall consider assigning a sufficient number of non-executive members of the board of directors capable of exercising independent judgement to tasks where there is a potential for conflict of interest.
9. The board of directors shall ensure that, while rightly encouraging positive thinking, these do not result in over-optimism that either leads to significant risks not being recognised or exposes the listed entity to excessive risk.
10. When committees of the board of directors are established, their mandate, composition and working procedures shall be well defined and disclosed by the board of directors.
11. Members of the board of directors shall be able to commit themselves effectively to their responsibilities.
12. In order to fulfil their responsibilities, members of the board of directors shall have access to accurate, relevant and timely information.

## 17. GENERAL

- Independent Directors shall give an annual declaration as required under the provision of section 149(7) of the Companies Act, 2013 and the rules made thereunder.
- An Independent Director shall not serve as an Independent director in more than seven listed companies as may be stipulated by the Listing Agreement or any other law of the land, for the time being in force.
- Further, an Independent Director who is serving as a whole time director in any listed company shall not serve as an Independent director in more than three listed companies or such number of listed companies as may be stipulated by the Listing Agreement or any other law of the land, for the time being in force

This Letter and any non-contractual obligations arising out of or in connection with this 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 of Mumbai.

Please confirm your agreement to the above by signing and returning the enclosed duplicate copy of this Letter.

Yours Faithfully

**For Tree House Education & Accessories Limited**

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**Managing Director**

### **AGREE AND ACCEPT**

I have read and agree to the above terms and conditions regarding my appointment as an Independent Director of Tree House Education & Accessories Limited.

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**Name of the ID**

**DIN No:** \_\_\_\_\_

**Date:** \_\_\_\_\_

### **Tree House Education & Accessories Limited**

**Regd. Off:** 101, Sapphire Plaza, Dadabhai Road, Opp. CNMS School, Vile Parle (West), Mumbai, Maharashtra, 400056

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