

JAYKAY ENTERPRISES LIMITED
TERMS AND CONDITIONS OF THE IDR APPOINTMENT AS INDEPENDENT DIRECTOR

1. Appointment/Re-appointment

- 1.1. The ID will serve on the Board of Jaykay Enterprises Limited, as an Independent Director.
- 1.2. The ID will not be liable to retire by rotation.
- 1.3. Based on the recommendation of the HR & Nomination Committee and applicable provisions of Companies Act 2013, the ID will be eligible to be considered for re-appointment by the shareholders. The HR & Nomination Committee will recommend, the re-appointment, taking into account the outcome of the performance evaluation.

2. Membership of Committee

In addition to serving as an independent director of the Company, the ID may be required to serve on one or more committees of the Board established by the Company. Upon the appointment to one or more committees, the ID will be provided with the appropriate committee-charter, which sets out the functions of the committee.

3. Time commitment

The ID will be expected to devote such time as is necessary for the proper performance of the duties as an independent director. It is intended that the Company will hold 4 regular Board meetings in a year, but the ID may be expected to attend additional meetings, if circumstances require. The ID will also be required to attend the AGM, if necessary to serve on any committees if requested to do so by the Board and acceptable to the ID. The ID confirm that the ID are currently able to allocate sufficient time to meet these requirements and that the ID will inform the Board of any subsequent changes to the circumstances which may affect the time the ID can commit to the duties under this letter.

4. Induction and Role

The directors shall be invited to attend an initial induction to be organized by the company in consultation with independent directors. It will include meeting with key management, auditors, consultants, advisors etc. The Company may conduct Training and familiarization programs for its Independent Directors, as and when required, which the ID are expected to attend.

We recommend that the ID attend training and familiarization programs and sessions conducted by management. These would help broaden the understanding of the Company, its business, and the environment and markets in which it operates thereby enabling the ID to perform the role as director more effectively and efficiently.

As part of these programmes the ID will meet key management members and receive documents pertaining to essential board and company information.

An independent director has the same legal responsibilities as any other director and the Board together has collective responsibility for the success of the Company. The Companies Act, 2013 has introduced additional duties and responsibilities for independent directors of a company including “Code of Independent Directors”, which will have to be complied with.

In addition to provisions Companies Act, 2013 and rules made thereunder (as amended), the ID will observe compliance with other applicable laws of land including Company’s articles of association and the Listing Agreement (including provisions on corporate governance) with the BSE Limited (BSE).

Further Independent Directors are required to act in the best interests of all shareholders / stakeholders of the company in accordance with the memorandum and articles of association of the company. The fiduciary duties of directors include:

A. Duty, of loyalty to act without conflict and always put the interests of the company before individual interests.

Directors should not be influenced by any financial or personal interest in the course of their dealings on behalf of or with the company. If avoidance is impractical in a given situation then such transactions should be approved by non-interested directors in a manner that ensures armslength including the right of the non-interested directors to reject the transaction altogether.

Independent directors must critically review conflict of interest transactions.

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B. Duty of care to take informed decisions

Duty of care carries personal responsibility and demands that directors must exercise due care and diligence in overseeing the management of the business of the company. Directors shall collectively and individually, act prudently in discharging their duties. The duty of care requires that a director informs himself of all material information reasonably available before making a business decision. This duty also requires directors to inform themselves of alternatives to a proposed business decision. The directors may request for any information they deem necessary before taking any decisions.

C. Duty to act in good faith in accordance with the company's codes and policies and adopt best governance practices

The duty of good faith requires that the directors ensure that all the necessary processes are followed to arrive at decisions which are in the best interests of the company.

The directors must follow the following principles in fulfilling their fiduciary responsibilities:

- i. Directors should keep themselves informed of all significant matters related to the company and its business affairs;
- ii. Directors should always act collectively as a board, or as they are specifically authorized by the board and its committees.
- iii. Directors should attend and participate in all meetings as far as possible;
- iv. Directors should ask questions or voice their concerns, if any;
- v. Directors should not disclose confidential information unless expressly authorized to do so by the board or its committees or as may be required in the course of dealings on behalf of the company;
- vi. Directors should disclose their personal and business interest on any matter placed before the board and abstain from voting on such matters;
- vii. Disclose to the company if and when there are circumstances which lead to non fulfillment of criteria of independence in any manner

In addition to the above indicative fiduciary duties all independent directors are bound by the functions and duties specifically described under the code of conduct provided in schedule IV of the Companies Act 2013 (*Refer Annexure I*)

The independent directors are also bound by the company's code of conduct and code of business ethics the details of which are available on company's website.

5. Fees and Expenses

The Company will, subject to the provisions in the Act, the applicable listing agreements and obtaining shareholder consent, pay the ID sitting fees for attending Board and committee meetings. The ID will also be entitled to the reimbursement of all receipts out of pocket business expenses necessarily incurred in the proper performance of the duties of the office.

The office of non-executive director of the Company is not pensionable by the Company.

6. D & O Insurance

The Company will take an appropriate Directors' and officers' liability insurance policy and pay premiums for the same. It is intended to maintain such insurance cover for the term of the appointment, subject to the terms of the policy from time to time in force (which may be subject to change).

7. Evaluation

The performance of the Board, its committees and individual directors will be evaluated in accordance with company's policy and framework for Board evaluation.

The results of the performance evaluation will be taken into account at the time of considering the re- appointment on the Board and will also be disclosed in the annual report appropriately.

The criteria of evaluation will be determined by the Nominations and remuneration committee and will be

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disclosed in the annual report of the company. However, the actual evaluation process will be kept confidential and will be used constructively to improve Board's performance and effectiveness.

8. Conflict of Interest and disclosure

It is accepted and acknowledged that the ID may have business interests other than those in the Company. As a condition to the appointment, the ID are required to declare all such directorships, appointments and interests to the Board in writing in the prescribed form annually and as and when there is any change. The Corporate Secretarial Department will assist the ID in making these disclosures in timely manner.

It is expected that the ID will not serve on the board of competing companies except without the prior written approval of the Board.

In the event of a change in declaration as aforesaid or a change which impacts the independence as an Independent Director on the company, the ID shall intimate the Chairman as well as the Company Secretary of the company forthwith.

9. Independent professional Advice

In the course of the duties as a director it may be appropriate for the ID to take independent advice and in such circumstances the Company will reimburse all professional fees reasonably and properly incurred by the ID for such advice.

10. Confidentiality

By virtue of the appointment, all the information that the ID receive from the Company or from its direct or indirect subsidiaries (together the "Group") and have access to regarding the Company's and Group's businesses, transactions, employees and affairs (and including for the avoidance of doubt any information in respect of which the Company or any Group company is bound by an obligation of confidentiality to a third party) should be regarded as confidential. It should not be disclosed, either during the appointment or at any time thereafter to any third party without the prior written approval of the then Chairman of the Company. This requirement shall not apply to information which is legitimately in the public domain or is properly required to be disclosed by any legal or regulatory authority. The ID should not use confidential information for any purposes other than those of the Company. All Company property should be returned at the end of the appointment and the ID should ensure that the ID have not kept copies of Company information in any form whatsoever.

The attention also is drawn to legal and regulatory requirements regarding price sensitive information which the ID should observe at all times. The ID should refrain from making any public statement regarding the Company without the prior written approval of the Chairman.

11. Compliance

The duties include responsibility for ensuring that reasonable steps are taken in order that the Company, its directors, the ID and the connected persons (where appropriate) comply with:

- The Companies Act 2013
- SEBI (ICDR) Regulations The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
- The Listing Agreement between the Company and the BSE.
- The Company's code of business ethics with which the ID are required to confirm compliance annually
- The Company's code for the prevention of insider trading

This paragraph is without prejudice to the general obligation to comply with all applicable laws, rules or regulations in respect of the appointment as a director of the Company.

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12. Publication of this letter of appointment

In accordance with Schedule IV of the Companies Act 2013, the company will make public disclosure of terms and conditions of the the appointment and will also arrange for it to be displayed on the Company's website.

13. Miscellaneous

The letter forms the terms of the appointment as an independent director of the Company. We clarify that this letter is not a contract for service or employment and the ID will not be entitled to any compensation for loss of office.

The terms of the appointment are subject to the provisions of the Companies Act, 2013, the Listing Agreements, Articles of Association of the Company and other laws as may be applicable from time to time. In case of any inconsistency between the statutory provisions and this letter, statutory provisions will prevail over the contents of this letter and the terms of this letter shall stand amended automatically to that extent.

The terms of appointment including the terms contained in this letter are governed by the Indian Laws and accordingly shall be subject to the exclusive jurisdictions of the Indian courts at Kanpur.