



Terms and Conditions of appointment of Independent Directors

Date:

Name of the Independent Director

Address

Dear Sir/Madam,

Sub: Your appointment as a Non- Executive Independent Director ("Independent Director") on the Board of GMR Airports Limited (formerly GMR Airports Infrastructure Limited)

We are pleased to inform you that the Board of Directors of GMR Airports Limited (formerly GMR Airports Infrastructure Limited) ('GAL' or 'the Company') at its meeting held on _____, has appointed you as an Additional Director in the category of Non- Executive Independent Director of the Company to hold office for a first term of five consecutive years with effect from _____, subject to approval of the Members of the Company.

This letter of appointment sets out the terms of your appointment as an Independent Director, and is subject to the extant provisions of (i) the Companies Act, 2013 (the Act) (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI Listing Regulations), as amended from time to time, and (iii) Articles of Association of the Company.

1. Appointment

- 1.1 In accordance with the provisions of the Companies Act, 2013 and other applicable laws, you will serve as a Non-Executive Independent Director on the Board of Directors of the Company for a period of five consecutive years w.e.f. _____.
- 1.2 In compliance with the provisions of Section 149 of the Companies Act, 2013, your directorship is not liable to retire by rotation.
- 1.3 Your re-appointment at the end of the term, subject to the applicable laws and regulations for the time being in force, shall be based on the report of your performance evaluation, recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors and Members of the Company.

2. Board Committees

As decided by the Board of Directors at its meeting held on _____, during which the Board sub-Committees were reconstituted, you will serve as Member of the following committees of the Board, for the duration of your tenure:



S.no.	Name of Committee	Designation
1.		

Please note that your committee positions may be revised, added, or withdrawn as may be decided by the Board of Directors of the Company. Any such changes will be intimated to you from time to time.

3. Role, duties and responsibilities

The Board as a whole, is collectively responsible to act in good faith in order to promote the objects of the Company and for promoting the success of the Company by directing and supervising the Company's affairs. As an Independent Director, you have the same general legal responsibilities to the Company as any other Director consistent with the Act and the Rules made thereunder.

In addition to the above requirements for all Directors, you being an Independent Director shall abide by the Code for Independent Directors as laid down under Schedule IV of the Companies Act, 2013, as amended from time to time and duties of Directors as provided in Section 166 of the Act and the SEBI Listing Regulations. A copy of the said Schedule IV is attached to this letter as **Annexure -1.**

4. Time Commitment

By accepting this appointment, you confirm that you are able to allocate sufficient time for the proper performance of your role, duties and responsibilities to meet the expectations to the satisfaction of the Board.

5. Status of Appointment

5.1 You will not be an employee of the Company, and this letter shall not constitute a contract of employment. As an Independent Director, you would be eligible for a remuneration of an amount up-to INR 30,00,000 (Indian Rupees Thirty Lakhs only) per annum, inclusive of the sitting fees, based on and in proportion to your attendance in Quarterly Board / Committee meetings held for considering the financial results and on such other terms and conditions as decided by the Board, subject to the approval of Members of the Company. The sitting fee, as approved by the Board, for each Director is as follows:

- For attending Board Meeting(s) and Audit Committee Meeting(s) – INR 1,00,000 per meeting;
- For attending other Committee Meeting(s) – INR 50,000 per meeting.

5.2 In addition to the remuneration including sitting fees mentioned above, the Company will, for the period of your appointment, reimburse you such fair and reasonable expenditure, as may be incurred by you while performing your role as an Independent Director of the Company.

5.3 While there is no other remuneration that is being paid to the Independent Directors, the Board may in terms of the provisions of the Companies Act, 2013 and SEBI Listing Regulations and in line with the Nomination and Remuneration Policy of the Company, pay remuneration and/or profit linked commission, based on the recommendation of the Nomination and Remuneration Committee and approval of the Members of the Company.



6. Induction Process

On your appointment, you will be invited to attend an induction programme, including briefings from management and site visits. Please avail yourself of these opportunities to familiarize yourself with the business and affairs of the Company, growth plans, the peculiarities of the industry in which the Company operates its goals and expectations and long-term plans and objectives.

7. Shareholding by Directors in the Company

Directors when buying and selling shares of the Company shall strictly observe the provisions of Articles of Association, "Code of Conduct" framed by the Company and all relevant legislative and regulatory procedures including Companies Act, 2013, SEBI Listing Regulations, Prevention of Insider Trading Regulations and Takeover Regulations requirements.

8. Liability

The Company shall not be liable for acts, if any, carried out which do not form part of the normal fiduciary duties and responsibilities as Director of the Company or acts which arise out of negligence, wilful omission or commission or wilful concealment of fact(s) in prior knowledge or coming to the fore during the course of tenure as Director.

9. Availability of Liability Insurance

The Company maintains a Directors and Officers Liability Insurance Policy to pay for the personal liability of Directors and Officers for claims made against them while serving the Company. A copy of the same shall be provided to you.

10. GAL Code of Conduct

During your appointment, you are required to adhere and abide to the standards prescribed in the GAL Code of Conduct, GMR Code of Business Conduct and Ethics and provide an annual declaration to its adherence to the Board in the format as attached in **Annexure – 2.**

11. Conflict of Interest

11.1 It is accepted and acknowledged that you may have business interests other than those of the Company. As a condition to your appointment commencing, you are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of your appointment.

11.2 In the event that your circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead the Board to revise its judgment regarding your independence, this should be disclosed to both the Chairman and the Company Secretary.

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 Chairman unless required by law or by the rules of any stock exchange or regulatory body.

Your attention is also drawn to the requirements under the applicable regulations and the GAL Code of Conduct 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



risk a breach of these requirements without prior clearance from the Chairman.

13. Performance Appraisal / Evaluation Process

As a member of the Board, your performance will be evaluated on the basis of the criteria determined by the Nomination and Remuneration Committee. The criteria for performance evaluation, as laid down by the Nomination and Remuneration Committee shall be disclosed in the Company's Annual Report.

14. Termination

- a. Your directorship on the Board of the Company shall terminate or cease in accordance with the applicable provisions of Companies Act, 2013 and the SEBI Listing Regulations.
- b. You also have the right to resign from the directorship of the Company by giving a notice in writing to the Company stating the reasons for resignation. The resignation shall take effect from the date on which notice is received by the Company or date, if specified by you in the Notice whichever is later.

15. Governing Law

This letter of appointment is governed by and shall be construed in accordance with, the laws of India, and your engagement shall be subject to the jurisdiction of courts in New Delhi, India.

16. Acceptance of appointment

We are confident that the Board and the Company will benefit immensely from your rich experience. If the terms of appointment relating to your appointment as an Independent Director of the Company are acceptable to you, please confirm your acceptance of these terms by signing and returning to us the enclosed copy of this letter.

Yours faithfully,

**For GMR Airports Limited
(formerly GMR Airports Infrastructure Limited)**

G.M. Rao
Chairman
DIN: 00574243

Acknowledgement:

I hereby acknowledge receipt of and accept the terms set out in this letter.

Date:

Signature:

Encl: Director Induction Kit

CODE FOR INDEPENDENT DIRECTORS**(As per SCHEDULE IV of Companies Act, 2013)**

The Code is a guide to professional conduct for Independent Directors. Adherence to these standards by independent directors and fulfilment 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.

I. Guidelines of professional conduct:

An Independent Director shall:

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

II. Role and functions:

The Independent Directors shall:

- (1) help 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 the 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;
- (8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.



III. Duties:

The Independent Directors shall—

- (1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- (2) 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;
- (3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- (4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (5) strive to attend the general meetings of the company;
- (6) 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 their concerns are recorded in the minutes of the Board meeting;
- (7) keep themselves well informed about the company and the external environment in which it operates;
- (8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- (9) 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;
- (10) 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;
- (11) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- (12) acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- (13) 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.

IV. Manner of appointment:

- (1) Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.
- (2) The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.
- (3) The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfils the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.
- (4) The appointment of independent directors shall be formalised through a letter of appointment, which shall set out:
 - (a) the term of appointment;
 - (b) the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;
 - (c) the fiduciary duties that come with such an appointment along with accompanying liabilities;
 - (d) provision for Directors and Officers (D and O) insurance, if any;
 - (e) the Code of Business Ethics that the company expects its directors and employees to follow;
 - (f) the list of actions that a director should not do while functioning as such in the company; and
 - (g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.



- (5) The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the company by any member during normal business hours.
- (6) The terms and conditions of appointment of independent directors shall also be posted on the company's website.

V. Re-appointment:

The re-appointment of independent director shall be on the basis of report of performance evaluation.

VI. Resignation or removal:

- (1) The resignation or removal of an independent director shall be in the same manner as is provided in sections 168 and 169 of the Act.
- (2) An independent director who resigns or is removed from the Board of the company shall be replaced by a new independent director within three months from the date of such resignation or removal, as the case may be.
- (3) Where the company fulfils the requirement of independent directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

VII. Separate meetings:

- (1) The Independent Directors of the company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management;
- (2) All the Independent Directors of the company shall strive to be present at such meeting;
- (3) The meeting shall:
 - (a) review the performance of non-independent directors and the Board as a whole;
 - (b) review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
 - (c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

VIII. Evaluation mechanism:

- (1) The performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.
- (2) On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the Independent Director.

Note: The provisions of sub-paragraph (2) and (7) of paragraph II, paragraph IV, paragraph V, clauses (a) and (b) of sub-paragraph (3) of paragraph VII and paragraph VIII shall not apply in the case of a Government company as defined under clause(45) of section 2 of the Companies Act,2013 (18 of 2013), if the requirements in respect of matters specified in these paragraphs are specified by the concerned Ministries or Departments of the Central Government or as the case may be, the State Governments and such requirements are complied with by the Government companies.



Annexure-2

Date:

To,
The Board of Directors
GMR Airports Limited
(formerly GMR Airports Infrastructure Limited)
Unit No. 12, 18th Floor, Tower A, Building No. 5,
DLF Cyber City, DLF Phase– III, Gurugram– 122002,
Haryana, India

Dear Sirs,

Subject: Affirmation on Compliance of Code of Conduct provisions as specified in schedule IV of the Companies Act, 2013

I, _____ (holding DIN: _____), do affirm, comply with the code of conduct provisions as specified in schedule IV of the Companies Act, 2013.

Thanking you,

Yours sincerely,

Name of Independent Director
Non- Executive Independent Director
DIN: