

Name [•]
Dear Mr./Ms. [•]

Date [•]

Sub: - Appointment as an Independent Director of ICRA Analytics Limited

We thank you for your confirmation to ICRA Analytics Limited (the “**Company**”) that you meet the “independence” criteria as envisaged under Section 149(6) of the Companies Act, 2013 (“**Act**”) and also for your consent to hold office as a Director of the Company.

We are pleased to inform you that the Members of the Company have approved your appointment as an Independent, Non-Executive Director of the Company in the Annual General Meeting held on [•] to hold office for a term upto five (5) consecutive years starting from the date of this Annual General Meeting, not liable to retire by rotation and this letter hereby sets out the terms and conditions of your re-appointment.

The terms of your appointment, as set out in this letter, are subject to the extant provisions of (i) applicable laws, including the Act; and (ii) the Articles of Association of the Company (“**AOA**”).

1. Appointment

Your appointment will be for five consecutive years, effective from [•] and valid till [•] (“**Tenure**”). As an Independent Director you are not liable to retire by rotation.

2. Appointment on Committees of the Board

During your Tenure as an Independent Director, you may be invited or nominated for appointment on various committees of the Board, which may be set up from time to time. As a matter of reference, you may note that the following committees(s) of the Board that is/are presently in existence on the date of this letter (“**Committee**”):

- (i) Corporate Social Responsibility Committee

3. Roles, Duties and Responsibilities

3.1 As member of the Board you will work with the other executive and whole-time director of the Board in achieving the objectives as set out below:

- (i) Compliance under the Act;
- (ii) Fulfillment of the responsibilities of the Board;
- (iii) Accountability under the Directors' Responsibility Statement; and
- (iv) Overseeing the maintenance of high standards of the Company's values and ethical conduct of business.

3.2 You shall perform those duties as are statutorily required of you under Section 166 read with Schedule IV of the Act and such other provisions of the Act, as maybe applicable to your directorship from time to time. For your ready reference, the relevant provisions have been extracted and enclosed to this letter as Annexure I.

4. Time Commitment

Considering the nature of your role as an independent and non-executive director, it is difficult for the Company to lay down specific parameters with respect to the time that you would need to commit towards your role with the Company. You are expected to devote such time as is prudent and reasonable for the proper performance of your role, duties and responsibilities as a director.

5. Remuneration

You will be paid sitting fees for attending the meetings of the Board and relevant Committees of which you are a member. Such sitting fees will be payable as fixed by the Board from time to time.

Further, the Company may pay or reimburse to you such fair and reasonable expenditure, as may have been incurred by you while performing your role as an Independent Director of the Company. This could include reimbursement of expenditure incurred by you for attending Board/Committee meetings, Annual General Meetings, Extraordinary General Meetings, court convened meetings, meetings with shareholders/creditors/management, induction and training (organized by the Company for Directors) and in obtaining, subject to prior consultation with the Board, professional advice from independent advisors in the furtherance of your duties as an Independent Director.

6. Insurance

The Company will take an appropriate Directors' and Officers' Liability Insurance policy and Professional Indemnity Insurance. It is intended to maintain such

insurance cover for your Tenure, subject to the terms of such policy in force from time to time. A copy of the abovementioned insurance policies will be provided to you on your request.

7. Code of Conduct

- 7.1 As an Independent Director of the Company, you agree to comply with the Code of Conduct for Board of Directors and the Senior Management Personnel of the Company (“**Code of Conduct**”). For your reference, the said Code of Conduct is also enclosed to this letter as Annexure II.
- 7.2 Your confidentiality obligations shall survive the termination or cessation of your directorship with the Company.
- 7.3 We would also like to draw your attention to the applicability of both, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time) and the Company’s Code of Conduct on Prevention of Insider Trading Policy, prohibiting disclosure or use of unpublished price sensitive information.
- 7.4 You are required to sign a confirmation of compliance of the Code of Conduct on an annual basis.
- 7.5 You are also required to adhere to the Company’s Code of Business Conduct to the extent applicable to you.

8. Induction and Development

The Company shall, if required, conduct formal induction program for its Independent Directors which may include any or all of the following:

- Board roles and responsibilities, whilst seeking to build working relationship among the Board members,
- Company’s vision, strategic direction, core values, ethics and corporate governance practices,
- Familiarisation with financial matters, management team and business operations, Meetings with stakeholders, visits to business locations and meetings with senior and middle management.

The Company shall, as may be required, support Directors to continually update their skills and knowledge and improve their familiarity with the Company and its business. The Company will fund / arrange for training on all matters which are common to the whole Board.

9. Performance Appraisal / Evaluation Process

As a member of the Board, your performance as well as the performance of the Board of Directors would be evaluated as required under applicable law and would be disclosed in the Company's Annual Report if applicable.

10. Disclosures, other directorships and business interests

During the Tenure, you agree to promptly notify the Company of 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 Board of Directors and the Company Secretary. During your term, you agree to promptly provide a declaration under Section 149(7) of the Act, every year and upon any change in circumstances which may affect your status as an Independent Director immediately to the Company.

11. Changes of personal details

During the 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.

12. Termination

Your directorship on the Board shall terminate or cease in accordance with law. Apart from the grounds of termination as specified in the Act, your directorship may be terminated for the violation of any provision of the Code of Conduct as applicable to non-executive directors.

You may 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 the notice is received by the Company or the date, if any, specified by you in the notice, whichever is later.

13. Co-operation

In the event of any claim or litigation against the Company, based upon any alleged conduct, act or omission on your part during your Tenure, you agree to render all reasonable assistance and co-operation to the Company and provide such information and documents as are necessary and reasonably requested by the Company or its counsel.

14. Miscellaneous

- 14.1 This letter represents the entire understanding, and constitutes the whole agreement, in relation to your appointment and supersedes any previous agreement between yourself and the Company with respect thereto and, without prejudice to the generality of the foregoing, excludes any warranty, condition or other undertaking implied at law or by custom.
- 14.2 No waiver or modification of this letter shall be valid unless made in writing and signed by you and the Company.

15. Acceptance of Appointment

We are confident that the Board and the Company will benefit immensely from your rich experience and we are eager to have you as an integral part of the growth of our Company. If these terms of appointment are acceptable to you, please confirm your acceptance by signing and returning the enclosed copy of this letter.

We thank you for your continued support and commitment to the Company.

Yours sincerely,
For **ICRA Analytics Limited**

[•]
DIN: [•]

Agreed and Accepted

I have read and understood the terms of my appointment as an Independent Director, of the Company, not liable to retire by rotation and I hereby affirm my acceptance to the same.

Signature: _____
Name: [•]
DIN: [•]
Place: [•]
Date: [•]

Annexure I
Duties of Directors

Section 166 of the Companies Act, 2013 –

1. Subject to the provisions of this Act, a director of a company shall act in accordance with the articles of the company.
2. A director of a company shall act in good faith in order to promote the objects of the company for the benefit of its members as a whole, and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment.
3. A director of a company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
4. A director of a company shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
5. A director of a company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.
6. A director of a company shall not assign his office and any assignment so made shall be void.
7. If a director of the company contravenes the provisions of this section such director shall be punishable with fine which shall not be less than one lakh rupees but which may extend to five lakh rupees.

Schedule IV of Companies Act, 2013
[See Section 149(8)]

CODE FOR INDEPENDENT DIRECTORS

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. scrutinise 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. act within their 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 financial 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 her to extend or continue the term of appointment of the independent director.

Annexure II

CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

This Code of Conduct (hereinafter referred to as the “Code”) shall be called “The Code of Conduct for Board of Directors and Senior Management Personnel” of ICRA Analytics Limited (the “Company” or “ICRA ANALYTICS”).

The Board of Directors and Senior Management Personnel of the Company acknowledge and accept the scope and extent of their duties in the organization. They have a responsibility to carry out their duties in an honest and businesslike manner and within the scope of their authority, as set forth in the laws of India as well as in the Memorandum and Articles of Association of the Company. They are entrusted with and are responsible for the oversight of the assets and business affairs of the Company in an honest, fair, diligent and ethical manner. As Directors and Senior Management Personnel, they must act within the bounds of the authority conferred upon them and with the duty to make and enact informed decisions and policies in the best interest of the Company and also to comply with the requirements of applicable law.

The purpose of this Code is to enhance ethics & transparency in the governance of the Company, and thereby reinforce the trust and confidence reposed in the Board by the stakeholders of the Company. The Board of Directors has adopted the following Code of Conduct and all the Directors and Senior Management Personnel of the Company are expected to adhere to the standards of care, loyalty, good faith and the avoidance of conflicts of interest that follow. The Directors and Senior Management Personnel are also expected to comply and uphold the provisions of this Code and the standards laid down hereunder in their day-to-day functioning.

Code of Conduct

The Board members and Senior Management Personnel shall:

1. act in the best interests of, and fulfill their fiduciary obligations to the Company;
2. contribute to good corporate governance by increasing transparency and accountability to its shareholders in particular and other stakeholders in general;

3. provide expertise and experience in their areas of specialization and share learning's at meetings of the Board of Directors and business council with the best interests of the Company and its stakeholders in mind and point the Company's management in the right direction based on their experience and judgment;
4. give careful and independent consideration to the affairs of the Company and all documents placed before them to satisfy themselves with the soundness of key decisions taken by the management of the Company and call for additional information, where necessary, for making such judgments;
5. make efforts to ensure that financial reporting is accurate, honest and timely and all members of the public have equal access to the same;
6. act honestly, fairly, ethically and with integrity;
7. conduct themselves in a professional, courteous and respectful manner and not take improper advantage of their position;
8. deal fairly with all stakeholders;
9. familiarize and ensure compliance with all applicable legal requirements and Company's other policies and procedures
10. act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgment to be subordinated;
11. not use the Company's property or position for personal gain;
12. not accept from or give to stakeholders gifts or other benefits not customary in normal social intercourse;
13. not use any information or opportunity received by them in their capacity as Directors or Senior Management Personnel in a manner that would be detrimental to the Company's interests;
14. protect the Company's assets and ensures their efficient use and ensure that all the assets of the Company are used for legitimate business purposes;
15. strive to regularly attend meetings of the Board of Directors and of the committees of which he is a member;

16. act in a manner to enhance and maintain the reputation of the Company;
17. disclose any personal interest that they may have regarding any matters that may come before the Board and abstain from discussion, voting or otherwise influencing a decision on any matter in which the concerned Director has or may have such an interest;
18. avoid actual or potential conflicts of interests with the Company, or the appearance thereof, in all the transactions;
19. respect the confidentiality of information relating to the affairs of the Company acquired in the course of their service as Directors or Senior Management, except when authorized or legally required to disclose such information;
20. not use confidential information acquired in the course of their service as Directors or Senior Management Personnel for their personal advantage;
21. comply with the provisions for prevention of insider trading in the securities of ICRA Ltd (the holding company of ICRA ANALYTICS) as prescribed under applicable laws and protect Company's confidential and any other non-public price sensitive information, which they have in their possession;
22. avoid conducting Company business with a relative, or with a business in which relative is associated in any significant role. Any dealings with a related party must be conducted in a manner as enumerated under the Company's policy on related party transactions;
23. help create and maintain a culture of high ethical standards and commitment to compliance; and
24. 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; and
- (13) not disclose confidential property 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.

A Director or Senior Manager Personnel who has any concern regarding compliance with this Code or suspect any violation of this Code may raise those concerns with the Chairman of the Board or Managing Director, who shall determine the action(s) to be taken to deal with such concern(s).

Adopted by the Board of Directors of ICRA Analytics Limited on [•].