

U. P. HOTELS LIMITED

Terms and conditions of appointment of Independent Directors

The following are the Independent Directors on the Company's Board:

Sl. No.	Name of Independent Director	Appointed upto
1	Justice Mr. Bisheshwar Prasad Singh (Retd.)	Appointed by order of NCLT, New Delhi Bench
2	Mr. Shankar Aggarwal	30.09.2022

In accordance with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), the terms and conditions of appointment of the Company's Independent Directors are reproduced hereunder:

1. Appointment

Their respective appointments will be upto the dates mentioned above (the Term).

As Independent Directors, they will not be liable to retire by rotation.

Reappointment of Independent Directors at the end of the Term shall be based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Board and the shareholders. Reappointment would be considered based on the outcome of the performance evaluation process and independence criteria.

2. Professional Conduct

As an Independent Director, he/she shall:

- (a) uphold ethical standards of integrity and probity;
- (b) act objectively and constructively while exercising your duties;
- (c) exercise your responsibilities in a bona fide manner in the interest of the Company;
- (d) devote sufficient time and attention to your professional obligations for informed and balanced decision-making;
- (e) not allow any extraneous considerations that may vitiate your exercise of objective independent judgement in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgement of the Board in its decision-making;

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- (f) not abuse your 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;
- (g) refrain from any action that could lead to a loss of your independence;
- (h) ensure that if circumstances arise under which you may lose your independence, you will immediately inform the Board accordingly; and
- (i) assist the Company in implementing the best corporate governance practices.

3. Functions, Responsibilities and Duties of Directors

Functions: As an Independent Director, he/she shall:

- (a) 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;
- (b) bring an objective view in the evaluation of the performance of board and management;
- (c) scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- (d) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- (e) safeguard the interests of all stakeholders, particularly the minority shareholders;
- (f) balance the conflicting interest of the stakeholders;
- (g) determine appropriate levels of remuneration in accordance with the duties and functions mentioned in the Policy for the Nomination and Remuneration Committee; and
- (h) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

Responsibilities: Independent directors have the same general legal responsibilities to the Company as that of any other director. The Board, as a whole, is collectively responsible for ensuring the success of the Company by directing and supervising the Company's affairs.

Duties: As an Independent Director, he/she shall:

- (a) undertake the appropriate induction into the Board and regularly update and refresh your skills, knowledge and familiarity with the Company;
- (b) seek appropriate clarification and, where necessary, seek and follow appropriate professional advice from external experts at the expense of the Company;
- (c) strive to attend every meeting of the Board and of the Board committees of which you are a member;
- (d) actively and constructively participate in the Board committees of the Board in which you may be a member or the Chairperson;
- (e) strive to attend the general meetings of the Company;

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- (f) ensure that any concerns that you may have about the running of the Company are addressed by the Board and seek inclusion of these concerns in the Board minutes to the extent these concerns are not resolved;
- (g) keep yourself well informed about the Company and the external environment in which it operates;
- (h) not unfairly obstruct the functioning of an otherwise proper Board or committee;
- (i) ensure that related party transactions are considered carefully before they are approved and are in the interest of the Company;
- (j) ensure that the whistleblower function of the Company is functioning adequately;
- (k) report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics;
- (l) Act within your authority, assist in protecting the legitimate interests of the Company, shareholders and its employees; and
- (m) not disclose any confidential information unless such disclosure is expressly approved by the Board or required by law.

4. Remuneration

As Independent Directors, they shall be paid sitting fees, as may be determined by the Board from time to time, for attending meetings of the Board and the Committees of which they are members.

They shall have no entitlement to any bonus during their appointment period and no entitlement to participate in any share scheme and no stock options will be issued to them by the Company.

5. Dealing in shares and Code of Conduct

Directors are prohibited from dealing in the Company's shares during the period when the trading window is closed. Further, directors, being designated officers of the Company for the purpose of insider trading guidelines, have to pre-clear all trades (buy/sell/gift) with the Compliance Officer. They are required to comply with the applicable SEBI Insider Trading Laws and regulations and the Company's *Code of Conduct and Ethics*.

6. Annual General Meeting (AGM)/General Meeting

Independent directors are expected to attend the Annual General Meeting (AGM)/General Meetings of the company.

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7. Separate Meetings

Pursuant to the Regulation 25(3) & (4) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of the Company shall hold at least one meeting in a year without the attendance of Non-Independent Director and meeting of the Management.

All the Independent directors of the company shall strive to be present at such Meeting

8. Code of Conduct & other compliances

During the Appointment, the independent director will comply with any relevant regulations as may be issued by the Government of India and such other authorized bodies as set up by the Government on its behalf, including the Code for Independent Directors, Insider Trading Code and such other requirements as the Board of Directors may from time to time specify.

It is expected that any interest he/she may have in any transaction or arrangement that the Company has entered into should be disclosed no later than when the transaction or arrangement comes up at a Board Meetings so that the minutes may record your interest appropriately and our records are updated. A general notice that the independent director is interested in any contracts with a particular person, firm or company is acceptable.

9. Confidentiality

The independent director must apply the highest standards of confidentiality and not disclose to any person or company (whether during the course of the Appointment or at any time after its termination) any confidential information concerning the Company and any Group Companies with which he/she comes into contact by virtue of your position as an Independent Director) of the Company.

Attention is drawn to the requirements under both legislation and regulation as to the disclosure of price-sensitive information. Consequently, the independent director should avoid making any statements that might risk a breach of these requirements.

On termination of the appointment, the independent director will deliver to the Company all books, document, papers and other property of or relating to the business of the Company which are in his/her possession, custody or power by virtue of his/her position as an Independent Director of the Company.