1ST September 2020

Mr. KARTHIK SUNDAR IYER

8/222, BHASKAR BHUVAN,

SIR BALACHANDRA ROAD,

MATUNGA (CR),

**MUMBAI – 400019**

Dear Mr. Karthik,

**Sub: your appointment as Managing Director of our company with effect from 1st September 2020**

We are pleased to inform you that Board of Directors of our company has approved your appointment in our company as Managing Director for a period of three years with effect from 1st September 2020 on the terms and conditions given below:

# TERMS AND CONDITIONS OF APPOINTMENT OF MANAGING DIRECTOR

The terms and conditions of appointment of Managing Director as mentioned below is subject to the extant provisions of the applicable laws, including the Companies Act, 2013 and Listing Regulations, as amended from time to time:

# Appointment

1. The appointment as Managing Director on the Board of the Directors of the Company will be as per the period mentioned above which is subject to the provisions of the Companies Act, 2013 and applicable Rules.
2. The appointment of Managing Director will be for a period of 3 years or as decided by the company from time to time, subject to maximum period of 5 years, on payment of such remuneration as decided by the Board of Directors of the company, which will be within the limit as per the Companies Act, 2013 for the aforesaid period and subject to the approval of the shareholders in general meeting.
3. The Managing Director may be requested to be a member / Chairman of any one or more Committees of the Board which may be constituted from time to time.

# Remuneration

As Managing Director you would be paid a monthly remuneration of Rs.250000/-

# Reimbursement of Expenses

In addition to the remuneration mentioned above, the Company will, for the period of your appointment, bear all expenses for travel, accommodation and any out of pocket expenses for attending Board / Committee meetings, General Meetings, induction and training (organized by the

Company for the Directors) seminar, conference, business meet incurred by you in the furtherance of your duties as Managing Director.

# Expectation

1. The Managing Director is expected to bring objectivity and independence of view to the Board’s discussion and to help provide the Board with effective leadership in relation to the Company’s strategy, performance and risk management as well as ensuring high standards of financial probity and corporate governance. The Board generally meets four times in a year.
2. The Audit Committee generally meets at least four times in a year.
3. Besides, there are other Committee meetings like Investment Committee, Risk Management Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, and Nomination & Remuneration Committee which are convened as per requirements. You are expected to attend meetings of Board and Board Committees to which you may be appointed and to devote such time to your duties, as appropriate to discharge your duties effectively.

# Role and Duties

1. There are certain duties prescribed for all Directors which are fiduciary in nature and are as under:
   1. You shall perform duties in accordance with the Company’s Articles of Association as may be amended from time to time.
   2. You shall act in good faith in order to promote the objects of the Company for the benefits of its members as a whole, and in the best interest of the Company.
   3. You shall discharge your duties with due and reasonable care, skill and diligence.
   4. You shall not involve yourself in a situation in which you may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
   5. You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.
   6. You shall not assign your office as Director and any assignments so made shall be void.
2. In addition to the above requirements, the Board of Directors also expects you to perform the following functions:
   1. You should constructively challenge and help develop proposals on strategy for growth of the Company.
   2. You should evaluate the performance of Non-Executive Directors in meeting on agreed goals and objectives.
   3. You should satisfy yourself on the integrity of financial information and that financial controls and systems or risk management are effective and defensible.
   4. You shall take responsibility for the processes for accurately reporting on performance and financial position of the Company.
   5. You should keep governance and compliance with the applicable legislation and regulations under review and the conformity of Company’s practices to accepted norms.

# Insurance

The Company has Director’s and Officers’ Liability Insurance and pay the premiums for the same. It is intended to maintain such insurance cover for the term of your appointment, subject to the terms of such policy in force from time to time.

# Conflict of Interest

In the event that the circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead, it should be disclosed to Board.

# Performance Appraisal / Evaluation Process

As member of the Board, your performance as well as the performance of the entire Board and its Committees would be evaluated annually. Evaluation of each director shall be done by all the other directors. The criteria for evaluation have been disclosed in the Company’s Annual Report. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board / Committee.

# Training and Development

The Company may, conduct formal training programme for its Directors. The Company may, 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 would fund / arrange for training on all matters which are common to the whole Board.

# Code of Conduct

During the appointment you would be required to comply with regulations as contained in the Companies Act, 2013, including the following codes of conduct of the company:

1. Code of Conduct for Board of Directors and Senior Management
2. Code of Conduct for prevention of Insider trading in securities of the Company and such other requirements as the Board of directors may from time to time specify.

# Disclosure, other directorships and business interests

During his period of term of office of Director, you shall 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.

Kindly arrange to return the duplicate of this letter duly signed as a token of acceptance of the above. We look forward to having a good term of office ahead.

Yours truly,

**For Twentyfirst Century Management Services Limited**

(Sundar Iyer)

**CHAIRMAN & CEO**