

Terms and conditions for appointment of Independent Directors of XL Energy Limited

1. Appointment:

- You will be appointed as a Non-Executive Independent Director on the Board of Directors of the Company for a period of five years commencing from (..... date). Your appointment is subject to the extant provisions of the Companies Act, 2013, as amended from time to time.
- The term “Independent Director” should be construed as defined under the Companies Act, 2013 and the Listing Agreement.
- The Company has adopted the provisions with respect to appointment and tenure of Independent Directors as are consistent with the Companies Act, 2013 and the Listing Agreement. The Company is at liberty to disengage a Non-Executive Independent Director earlier subject to compliance of the relevant provisions of the Companies Act, 2013 and the Listing Agreement.
- As an Independent Director you are not liable to retire by rotation.

2. Role and Functions:

Your role and functions shall be guided as per the Code for Independent Directors (Schedule IV) pursuant to Section 149(8) of the Companies Act, 2013 and you are expected to follow the business ethics which have been stipulated as under:

- 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;
- bringing an objective view in the evaluation of the performance of board and management;
- scrutinising the performance of management in meeting agreed goals and objectives and monitoring the reporting of performance;
- satisfying oneself on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- safeguarding the interests of all stakeholders, particularly the minority shareholders;
- balancing the conflicting interest of the stakeholders;
- determining appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommending removal of executive directors, key managerial personnel and senior management.
- moderating and arbitrating in the interest of the company as a whole, in situations of conflict between management and shareholder’s interest.

3. Commitment:

As a Non-Executive Independent Director you are expected to bring objectivity and independence to the Board’s discussions and 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 expects the following in this regard:

- You shall strive to attend all meetings of the Board of Directors and of the Board Committees of which you are a Member;
- You shall participate constructively and actively in the Committees of the Board in which you are a Chairperson or Member;
- You shall strive to attend the general meetings of the Company. You shall be intimated in advance of the date, time and venue of the meetings of the Board or Committee thereof in which you are a member and Annual General Meeting and general meetings, if any, for attending the said meetings.

4. Duties:

Your duties will be those normally required of a Non-Executive Independent Director under the Companies Act, 2013 and the Listing Agreement. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which inter alia are as under:

- undertake appropriate induction and regularly update and refresh skills, knowledge and familiarity with the Company
- 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;
- ensure, where you have concerns about the running of the Company or a proposed action, that these are addressed by the Board and, to the extent that they are not resolved, insist that concerns are recorded in the minutes of the Board meeting;
- keep yourself well informed about the company and the external environment in which it operates;
- not to unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board;
- pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure that the same are in the interest of the Company;
- 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;
- report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
- act within authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
- 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;

5. Status of Appointment and Remuneration:

You will not be an employee of the Company and this letter shall not constitute a contract of employment. You will be paid such remuneration by way of sitting

fees for attending meetings of the Board and its Committees as may be decided by the Board from time to time.

6. Confidentiality:

All information acquired during your tenure of directorship is confidential and should not be disclosed, either during your tenure 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. In the latter case, you would be required to suitably inform the Chairman of such an event or disclosure. You should direct any media queries or approaches to the appropriate spokesperson within the Company. On reasonable request, you shall surrender any documents and other materials made available to you by the Company.

7. Evaluation:

The Company will carry out an evaluation of the performance of the Board as a whole, Board Committees and the Directors on an annual basis. Your appointment and reappointment on the Board shall be subject to the outcome of the yearly evaluation process.

8. Dealing in shares:

You are required to comply with the Company's Insider Trading Code of Conduct. This code inter alia prohibits the Directors from dealing in the Company's shares during the period when the trading window is closed.

9. Declaration and Disclosure of interest:

You shall give an annual declaration as required under the provisions of Section 149(7) of the Companies Act, 2013 and the rules made thereunder and Clause 49 of the Listing Agreement with Stock Exchanges. Besides above, you shall provide following disclosures as required under the Companies Act, 2013 and Rules framed thereunder as well as the Listing Agreement:

- consent in writing to act as Director in Form DIR-2;
- intimation in Form DIR-8 to the effect that you are not disqualified under Section 164(2) of the Companies Act, 2013;
- Disclosure of interest or concern directly or indirectly, in any company, body corporate, firms or other association of individuals in form MBP-1 pursuant to Section 184(1) of the Companies Act, 2013 and rules thereunder at the first board Meeting in which you participate as a Director and thereafter at the first Board Meeting in every financial year.

10. Termination:

- You may resign from your position at any time and should you wish to do so, you are requested to serve a reasonable written notice to the Board.
- Continuation of your appointment is contingent on your getting re-elected by the shareholders in accordance with provisions of the Companies Act, 2013 and Listing Agreement, from time to time in force. You will not be entitled to any compensation if the shareholders do not re-elect you at any time.