



LIMITED
आई एफ सी आई लिमिटेड
(A Government of India Undertaking)
(भारत सरकार का उपक्रम)

IFCI/2023 - 282

May 25, 2023

Shri Umesh Kumar Garg

38, Siddharth Enclave

Mau Road, Khandari

Agra - 282005

Shri Umesh Kumar Garg

**Subject: Letter of Appointment as Non-Executive Independent Director
on the Board of the Company.**

We are pleased to inform that the Board at its Meeting held on May 25, 2023 has appointed you as an Independent Director on the Board of the Company w.e.f. May 10, 2023, for a period of 3 years or until further orders by the concerned Ministry i.e. the Department of Financial Services, Ministry of Finance whichever is earlier subject to the approval of shareholders in the next General Meeting. Your appointment is as per the provisions of the Companies Act, 2013 and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on the following terms and conditions:

- a) **Term of Appointment** – Appointed w.e.f. May 10, 2023, for a period of 3 years or until further orders by concerned Ministry i.e. the Department of Financial Services, Ministry of Finance, whichever is earlier.
- b) **Declaration of Independence** - To satisfy all the criteria of being 'Independent' throughout the tenure on Board of the Company both as per the requirements of the Companies Act, 2013 and as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time). In this regard, a declaration on an annual basis has to be submitted to the Board of the Company confirming that the requirements of Independence are being met. If at any point of time there is any change in the circumstances which may affect the status of Independent Director, the same has to be brought to the notice of the Board immediately.
- c) **Expectation of the Board** – The Board expects to receive independent views and opinions in its proceedings. The Independent Director is also expected to provide his / her time, expertise and experience in carrying out effective decision making at the Board Level. The Independent Director is expected to follow Professional Conduct for Independent Directors provided

आई एफ सी आई लिमिटेड

पंजीकृत कार्यालय:

आईएफसीआई टावर, 61 नेहरु प्लेस, नई दिल्ली - 110 019

टूलभाष: +91-11-4173 2000, 4179 2800

फैक्स: +91-11-2623 0201, 2648 8471

वेबसाइट: www.ifcilttd.com

सीआईएन: L74899DL1993GOI053677

1948 से राष्ट्र के विकास में

IFCI Limited

Regd. Office:

IFCI Tower, 61 Nehru Place, New Delhi - 110 019

Phone: +91-4173 2000, 4179 2800

Fax: +91-11-2623 0201, 2648 8471

Website: www.ifcilttd.com

CIN: L74899DL1993GOI053677

In Development of the Nation since 1948



under Schedule IV of the Companies Act, 2013 and is enclosed as **Annexure – A.**

- d) **Induction on the Committees** – The Board constitutes various sub-committees of the Board as per the requirements of the Companies Act, SEBI (LODR) Regulations or for administrative convenience. The Independent Director may be expected to be on these Committees from time to time. The Committee(s) function in accordance with the terms of reference as approved by the Board. As per requirement, the Membership and the Terms of Reference may be changed by the Board from time to time. Name of Committees of the Company at present along with respective Terms of Reference is enclosed as **Annexure - B.**

e) **Duties and Liabilities** –

1. The duties would be as per the Companies Act, 2013 read with the applicable Rules, Listing Agreement and other applicable Laws and regulations and are enclosed as **Annexure - C.**

You are also governed by the duties mentioned in the Deed of Covenant required as per RBI Circular, IFCI being NBFC.

2. **Liabilities of the Director** –

- i. Ensure the confidentiality of the proceedings of the Board and the Committees.
- ii. Not to enter into 'Insider Trading of securities'. The Company has in place a 'Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons' which inter-alia requires that price-sensitive information is not used or transmitted and maintained securely. You shall at all times maintain the confidentiality of the price sensitive information when in possession. The Code of Conduct is enclosed as **Annexure - D.**
- iii. No forward dealings in securities of the Company, its subsidiary company and/ or associate company.

- F) **Directors and Officers (D&O) Insurance** – The Company has taken a D&O Insurance Policy renewable annually. The Policy covers all the Directors, including Independent Director and officers of the Company.

- G) **Code of Business Ethics** – The Company has in place a Code of Conduct to be observed by IFCI's Board of Directors and Senior Management Personnel and is placed on the website of the Company. The Code of Conduct is enclosed as **Annexure - E**. The principles prescribed in this Code lays down broad standards of compliance and ethics. The purpose of this code is to enhance ethical and transparent process in managing the affairs of the Company.
- I) **Remuneration** – The remuneration of the Independent Directors shall be governed by the provisions of the Companies Act, 2013 as amended from time to time. Sitting fees is paid as approved by the Board of Directors from time to time. At present, the sitting fees for the Board and Committee(s) of the Board is ₹40,000/- and ₹20,000 per Meeting, respectively. Further, the additional sitting fee of ₹10,000/- and ₹5,000/-per Meeting is also payable for Chairing the Board and Committee of Directors Meeting, respectively.
- J) **Reimbursement of Expenses** - The Company bears the expenses of travel, stay and conveyance in relation to attending the Meetings of the Board and Committee(s) thereof, by the Independent Directors.

All the terms and conditions as mentioned including your appointment, remuneration, professional code of conduct, roles, functions, duties and obligations shall be subject to the requirements as specified under the provisions of the Companies Act, 2013 read with the Rules made thereunder (including any statutory modification(s) re re-enactment thereof for the time being in force) and as per the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

Yours sincerely,



(**Manoj Mittal**)

MD & CEO

- Encls: 1. As above
2. Last 3 years Annual Reports
3. Present composition of the Committees of Board
4. List of IFCI Group Companies