

**Terms and conditions of appointment (“Appointment Terms”) of the independent directors of the Company (“Independent Directors”) in accordance with the requirements of the applicable laws including Schedule IV to the Companies Act, 2013 (the “Companies Act”) (as enclosed in Annexure I), and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”) and the Articles of Association of the Company:**

## **I. Term**

**Ms. Neha** has been appointed as an Independent Director of the Company for a first term of five consecutive years by the members at the Annual General Meeting held on August 21, 2024. The appointment is for a term commencing from August 16, 2024 up to August 15, 2029.

**Mr. Rajesh Dahiya** has been appointed as an Independent Director of the Company for a first term of five consecutive years by the members at the Annual General Meeting held on August 21, 2024. The appointment is for a term commencing from August 16, 2024 up to August 15, 2029.

**Mr. Rohit Bhasin** has been appointed as an Independent Director of the Company for a first term of five consecutive years by members at the Annual General Meeting held on August 21, 2024. The appointment is for a term commencing from August 16, 2024 up to August 15, 2029.

No Independent Director is liable to retire by rotation.

## **II. Other Terms and Conditions**

### **1. Committees**

- a. During their Term, the Independent Director may be required to serve on one or more committees of the board of directors of the Company (“**Board**”), i.e. Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee, Stakeholders’ Relationship Committee or such other committees, as the Board may decide from time to time.
- b. The Independent Director is an independent non-executive director and will be identified as such in the annual report and other documentation of the Company. If circumstances change, and he/she believes that his/her independence will be in doubt, he/she should promptly intimate the Board.

### **2. Duties and Liabilities**

- a. The Independent Director will perform his/her fiduciary duties in a responsible manner and his/her general legal responsibilities to the Company will be at par with

the non-executive directors of the Company.

- b. The Independent Director shall bring objectivity and independence of view 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 integrity and corporate governance.
- c. The Independent Director shall act in accordance with the Articles of Association of the Company and while discharging his/her duties, comply with the requirements of applicable laws including the Listing Regulations (including Regulation 4(2)(f)), Section 149(8) of the Companies Act and Section 166 read with Schedule IV of the Companies Act which *inter alia* includes acting 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 interest of the Company and all its stakeholders and discharging their duties with due and reasonable care, skill and diligence. Further, the Independent Director is required to perform such other duties as may be determined by the Board from time to time.
- d. The Independent Director will be held liable only in respect of such acts of omission or commission by the Company which have occurred with his/her knowledge, attributable through Board processes, and with his/her consent or where he/she has not acted diligently.
- e. During their Term, they agree to promptly notify the Company of any change in their directorships and provide such other disclosures and information as may be required under the applicable laws. They also agree that upon becoming aware of any potential conflict of interest with their position as Independent Directors of the Company, they shall promptly disclose the same to the Board, the Chairman and/or the Company Secretary. During their Term, they agree to promptly provide a declaration under Section 149(7) of the Companies Act, upon any change in circumstances which may affect their status as an Independent Director.

### **3. Code for Independent Director**

- a. The Company shall rely on the declaration of the Independent Director that he/she meets the criteria of independence as provided in Section 149(6) of the Companies Act as also in the Listing Regulations.
- b. The Independent Director will be required to abide by the guidelines as to professional conduct for independent directors as set out in Section 149(8) read with Schedule IV to the Companies Act.
- c. The Independent Director will be required to comply with applicable provisions of the Code of Conduct framed by the Board for all Board members and Senior Management of the Company under the Listing Regulations, as uploaded on the Company's website. The Independent Directors are also required to abide by such other policies/codes formulated by the Company, from time to time.

#### **4. Restrictions**

- a. Save and except directorships currently held by the Independent Director, during the Term, the Independent Directors are expected not to take up directorship in any company (whether in India or abroad) engaged in the same or similar businesses as that of the Company or in a company, business or undertaking which competes or is likely to compete with the Company or which could otherwise potentially give rise to a conflict with his/her duties towards the Company. In the event that the Independent Director becomes aware of any potential conflicts of interest, or in case of doubt, he/she should promptly intimate the Board, the Chairman and/or the Company Secretary.
- b. During the Term, no Independent Director shall serve as (a) an independent director in more than the prescribed number of companies; and (b) a committee member of more than the prescribed number of committees including chairmanship of such committees.
- c. During their Term, the Independent Directors are prohibited from dealing in the Company's securities during the period when the trading window is closed. They are expected to comply with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the codes and policies formulated by the Company thereunder.
- d. During their Term, no Independent Director will (i) enter into any agreement for himself/herself or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company; and (ii) enter into any such agreement referred to in (i) above without obtaining the prior approval from the Board as well as public shareholders of the Company.
- e. The Independent Directors must not misuse their position for personal gain or to benefit others at the expense of the Company or its shareholders. They are prohibited to unfairly disrupt the proper functioning of the Board or its committees.
- f. The Independent Directors must avoid situations where their interests conflict, or may potentially conflict, with those of the Company, unless such conflicts are fully disclosed and discussed with the Board or Company Secretary. The Independent Directors must not, either by themselves or with relatives, hold 2% or more of the Company's total voting powers.

#### **5. Time Commitment**

By accepting the appointment, the Independent Director confirms that he/she will be able to allocate sufficient time to perform his/her duties as an Independent Director of the Company and attend meetings of the Board or any committee thereof, at such locations determined by the Board.

#### **6. Training and Development**

- a. The Independent Director will be duly inducted and thereafter invited to attend ongoing training and familiarization sessions including site visits.
- b. The Independent Directors shall be provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

## **7. Evaluation Process**

The performance of the Independent Directors shall be evaluated by the entire Board, excluding the Independent Director being evaluated, on an annual basis. On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the Term of the Independent Director.

## **8. Remuneration**

In consideration of the Independent Director's services, the Company will pay the Independent Director, such remuneration for each financial year during his/ her Term, (including payment of sitting fee and/or commission, subject to applicable laws, specifically the Companies Act and Listing Regulations), as may be approved by the Board from time to time during the said period.

## **9. Expenses**

In addition to the sitting fees stated in the preceding paragraph, the Company will reimburse the Independent Director, for all travel, conveyance, accommodation or other expenses incurred in connection with attending meetings of the Board and/or committees thereof.

## **10. Confidentiality**

The Independent Directors agree that both during and after the Term, they will not use for their own, or for another's benefit, or disclose or permit the disclosure of any confidential information relating to the Company, its holding, subsidiary or associate companies, which they may acquire by virtue of their position as an Independent Director of the Company, including without limitation, any information about the deliberations of the Board. The restriction shall cease to apply to any confidential information which may (other than by reason of the Independent Director's breach of the Appointment Terms), become available to the public generally.

## **11. Insurance**

The Company has Directors' and Officers' liability insurance cover for the Independent Directors, and it is intended to maintain such cover for the full Term.

## **12. Indemnity**

The Company shall keep the Independent Directors indemnified in respect of liabilities incurred by them in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the National Company Law Tribunal, to the extent permitted by law.

### **13. Resignation**

The Independent Directors may resign from the directorship of the Company in accordance with Section 168 of the Companies Act, 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 them in the notice, whichever is later.

### **14. Publication of Appointment Terms**

In accordance with the provisions of Schedule IV to the Companies Act and the Listing Regulations, these Appointment Terms will be open for inspection by any member at the registered office of the Company and the Company will also post the generic copy of these Appointment Terms on its website.

### **15. Governing Law**

These Appointment Terms are governed by the laws of India, and subject to jurisdiction of courts in India.

### **16. Relationship**

The appointment constitutes neither a contract for services nor a service contract. There will be no relationship of employer and employee as a consequence of appointment as an Independent Director of the Company.

### **17. Authority**

The Appointment Terms will be issued under the authority of the Board.

For and on behalf of **Bluestone Jewellery and Lifestyle Limited**  
(formerly known as **Bluestone Jewellery and Lifestyle Private Limited**)

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**Name: Mr. Gaurav Singh Kushwaha**  
**Designation: Managing Director & Chairman**  
**DIN : 01674879**

**Enclosed:**

**(i) Schedule IV of the Companies Act**

## ANNEXURE I

### **Schedule IV of the Companies Act- 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 whether to extend or continue the term of appointment of the independent director.