



Rural Electrification Corporation Limited

CIN: L40101DL1969GOI005095

Terms & Conditions of appointment of Independent Directors.

Pursuant to the Articles of Association of the Company, all Directors of the Company, including Independent Directors, are appointed by the President of India acting through the administrative ministry, i.e., Ministry of Power, Government of India. The appointment of Non Official Part Time Independent Directors of the Company is subject to such terms and conditions as suggested by the Department of Public Enterprises (DPE) and as may be deemed fit by the President of India from time to time, in accordance with the Articles of Association of the Company.

The Independent Directors of the Company are generally appointed by the President of India for a period of three years from the date of notification of their appointment or till further orders, whichever is earlier. The Independent Directors are paid sitting fees for attending the meetings of Board/Committees of the Company, besides payments of TA/DA. The sitting fees of Independent Directors is decided by the Board of Directors of REC from time to time, which is well within the limit specified under the Companies Act, 2013 and DPE Guidelines.

The Independent Directors are required to comply with various codes, policies and procedures of the Company formulated pursuant to the applicable provisions of the Companies Act, 2013, SEBI Regulations and DPE Guidelines, like the Code of Business Conduct and Ethics for Board Members and Senior Management, Code for Prevention of Insider Trading in REC Equity Shares / Securities etc., to name a few. Further, copies of Order(s) regarding appointment of Independent Directors of the Company are given below:-

A. Order No.46/2/2010-RE-Vol.II (Part-IV) dated November 13, 2015

B. Order No. 46/2/2010-RE-Vol.II (Part-IV) dated February 8, 2017