

MAHARASHTRA NATURAL GAS LIMITED

SPECIMEN

Date: _____

To,

Shri/ Smt. _____

Dear Sir/ Madam,

Sub: Appointment as Independent Director

I am pleased to inform you that upon the recommendation of the Nomination and Remuneration Committee, the Board of Directors ('the Board') of Maharashtra Natural Gas Limited ('the Company') has approved your appointment as an independent director of the Company ('Independent Director') subject to approval from the Shareholders in the ensuing Annual General Meeting.

This letter sets out the terms of your appointment.

1. Appointment

In accordance with the provisions of the Companies Act, 2013 and other applicable laws, you will serve as an Independent Director of the Board up to ____ years from the date of your appointment i.e. _____. Your appointment is subject to the approval of shareholders.

2. Board Committees

- 2.1. As advised by the Board, during the tenure of office, you may be required to serve on one or more of the Committees of the Board established by the Company.
- 2.2 Currently, the Board has three committees: Audit Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee. The Board is responsible for constituting, assigning, co-opting and fixing terms of service for committee members. The Chairman of the Board, in consultation with the company secretary and the committee chairperson, determines the frequency and duration of the committee meetings as per statutory requirement. Recommendations of the committees are submitted to the Board for approval. The quorum for meetings is as per the applicable laws, rules and legislations from time to time.

3. Professional Conduct

As an Independent Director, you shall:

- 3.1 Uphold ethical standards of integrity and probity.
- 3.2 Act objectively and constructively while exercising your duties.
- 3.3 Exercise your responsibilities in a bona fide manner in the interest of the Company.
- 3.4 Devote sufficient time and attention to your professional obligations for informed and balanced decision-making.

- 3.5 Not allow any extraneous considerations that may vitiate your 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.
- 3.6 Not abuse your 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.
- 3.7 Refrain from any action that could lead to a loss of your independence.
- 3.8 Ensure that if circumstances arise under which you may lose your independence, you will immediately inform the Board accordingly.
- 3.9 Assist the Company in implementing the best corporate governance practices.

4. Sitting Fees

As decided by the Board in their meeting, which is subject to change from time to time as per the provisions of the Companies Act, 2013, Rs. 20,000 for attending the Board Meeting and 10,000 for attending each Committee Meeting will be paid as sitting fees.

5. D & O Insurance

The Company maintains a Directors and Officers insurance policy (D & O policy) amounting to Rs. 10 Crores to pay for the personal liability of directors and officers for claims made against them while serving on the Board and / or as an officer of the Company.

6. Memberships of other Boards

It is expected that you will not serve on the Boards of competing Companies without previous written consent of the Chairman. Apart from the applicable law and good corporate governance practices, there are no other additional limitations.

7. Information on meetings

7.1. Scheduling and selection of agenda items for Board meetings

The Managing Director, CFO & Company Secretary, draft the agenda for each meeting, along with explanatory notes, and distribute it in advance to the Board members. Every Board member is free to suggest the inclusion of items on the agenda. Normally, the Board meets once a quarter to review the quarterly results and other items on the agenda. The Board may also meet during the annual shareholders' meeting. Additional meetings are held based on need.

7.2. Availability of information to the Board

The Board has full and unfettered access to any information of the Company, and to any employee of the Company. At Board meetings, the Board may invite managers of the Company when additional details into the items being discussed are required.

7.3. Independent directors' discussion

The Company will have meetings of only "independent directors" as required under Companies Act 2013 to ensure full and frank discussion on the performance of the Company, risks faced by the Company. During these meetings the chairman, any executive director and any senior management personnel may be invited to make presentations on relevant issues.

7.4 Code for Independent Directors

You will be required to abide the Code of Conduct specified in schedule IV of Companies Act 2013.

8. Retirement age

The age of retirement for independent directors is 70 years.

It is a pleasure to have you on Board. I am confident that your association, expertise and advice will immensely benefit the Company and the Board.

Best regards,

Sincerely,

Shri _____
Managing Director
DIN: _____
Add: _____

Encl: Code of Conduct and Ethics.