

## **Terms and Conditions for appointment of Independent Directors**

Pursuant to the requirements of Schedule IV to the Companies Act, 2013

1. Shri Mallikarjun Shivappa Dandinnawar has been appointed as an Independent Director of the Company for a first term of 5 (five) consecutive years with effect from 30<sup>th</sup> September, 2021.
2. Shri Narendra Kumar Goyal has been appointed as an Independent Director of the Company for a first term of 5 (five) consecutive years with effect from 26<sup>th</sup> March, 2023.

### **Terms of Appointment:**

- i. The terms of appointment of an Independent Director of the Company is for a period of 5 consecutive years from the date of his appointment.
- ii. Independent Director is not liable to retire by rotation.
- iii. Appointment of every independent director shall be approved by members of the Company.
- iv. Independent Directors will be eligible for re-appointment for another term of 5 consecutive years, after the completion of their tenure of first 5 years, subject to Board approval, and the passing of a Special Resolution by Members.

### **Roles and Duties:**

The independent directors shall-

- i. 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;
- ii. bring an objective view in the evaluation of the performance of board and management;
- iii. scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- iv. satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- v. safeguard the interests of all stakeholders;
- vi. balance the conflicting interest of the stakeholders;
- vii. 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;
- viii. moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.
- ix. Independent Directors shall also be taking sufficient care to perform duties specified in the Code for Independent Directors under Schedule IV of the Companies Act, 2013 (including any modification or re-enactment of the same) that come with such an appointment along-with accompanying liabilities.

In addition to their role as Directors, the Board may nominate Independent Director as the Chairman/ Member of other Board Committees, as it may deem fit from time to time.

**Expectation of the Board from the appointed Director:**

An Independent Director is expected to bring objectivity and independence of view to the Board's discussions and to help to 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 shall meet at least four times in a year and other Committees of Board of Directors shall also meet from time to time in a year.

They will be expected to attend meetings of Board and Board Committees in which Independent Director is a member and Members meetings and to devote such time as appropriate to discharge their duties effectively.

Ordinarily, all meetings are held at the Corporate Office or through Other Audio-Visual Means. By accepting the appointment, the Directors confirm that they are able to allocate sufficient time to meet the expectations from their role to the satisfaction of the Board.

**Directors' Fees/ Remuneration:**

A sitting fee will be paid for attending each meeting of the board as well as the all-committee meetings attended, as per the provisions of Section 197 of the Act 2013 and the Articles of Association of the Company, as fixed by the board from time to time.

The Independent Director will be entitled to claim reimbursement of all his travelling and other incidental expenses incurred by him in performance of duties as director of the Company, as per the provisions of the Act 2013.

**Stock Options:**

Independent Director is not eligible to participate in Stock Options schemes of the Company.

**Status of Appointment:**

The Independent Director will not be an employee of the Company and the appointment letter shall not constitute a contract of employment. The Directors will be paid such remuneration by way of sitting fees for meetings of the Board and its Committees as may be decided by the Board and / or as approved by the Members from time to time.

**Conflict of Interest:**

It is accepted and acknowledged that the appointed Independent Directors may have business interests other than those of the Company. Considering the same, they are required to declare any such directorships, appointments, and interests to the Board in writing in the prescribed form at the time of their appointment.

In the event of circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead the Board to revise its judgments that they are independent, this should be disclosed to both the Chairman and the Secretary.

**Confidentiality:**

All information acquired during the appointment is confidential to the Company and should not be released, either during the appointment or following termination (by whatever means) to third parties without prior clearance from the Chairman unless required by. On reasonable request, Director shall surrender any documents and other materials made available to them by the Company.

Unless specifically authorized by the Company, the Independent Director shall not disclose Company and business information to public constituencies such as the media, the financial community, employees, members, agents, franchises, dealers, distributors, and importers.

**Termination:**

Independent Directors may resign from their position at any time and if they wish to do so, they are requested to serve a reasonable written notice on the Board. Continuation of their appointment is contingent on getting re-elected by the members in accordance with provisions of Companies Act, 2013, the Rules framed thereunder and the Articles of Association of the Company, from time to time in force. They will not be entitled to compensation if the members do not re-elect them at any time. Their appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company from time to time in force.

**Performance evaluation of Independent Directors:**

The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated. The re-appointment of independent director shall be on the basis of report of performance evaluation.

**Miscellaneous:**

Independent Directors shall give an annual declaration as required under the provision of section 149(7) of the Companies Act, 2013 and the rules made thereunder. An Independent Director shall not serve as an independent director in more than seven listed companies as may be stipulated by the Listing Agreement or any other law of the land, for the time being in force. Further, an Independent Director who is serving as a whole-time director in any listed company shall not serve as an independent director in more than three listed companies or such number of listed companies as may be stipulated by the Listing Agreement or any other law of the land, for the time being in force.