



## Terms and conditions of Appointment of Independent Directors

The terms and conditions of appointment of Independent Directors are subject to the extant provisions of the (1) applicable laws, including the Companies Act, 2013 (“2013 Act”) and clause 49 of the Listing Agreement (as amended from time to time) and (ii) Articles of Association of the Company.

The broad terms and conditions of appointments as Independent Directors of the Company are reproduced hereunder:

### 1. **Appointment**

The appointment will be for the period mentioned against their respective names (“Term”). The Company may disengage Independent Directors prior to completion of the Term subject to compliance of relevant provisions of the 2013 Act.

As Independent Directors will not be liable to retire by rotation.

Re-appointment at the end of the Term shall be based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Board and the Shareholders, The re-appointment would be considered by the Board based on the outcome of the performance evaluation process and the directors continuing to meet the independence criteria.

The directors may be requested to be a member / chairman of any one or more committees of the Board which may be constituted from time to time.

### 2. **Role, duties and responsibilities**

A. As members of the Board, they along with other Directors will be collectively responsible for meeting the objectives of the Board which include:

- Requirements under the Companies Act, 2013.
- Responsibilities of the Board as outlined in the Corporate Governance requirements as prescribed by Stock Exchanges under Clause 49 of the Listing Agreement.
- Accountability under the Director’s Responsibility Statement

B. The Directors shall abide by the ‘Code for Independent Directors’ as outlined in Schedule IV to Section 149(8) of the 2013 Act, and duties of directors as provided in the 2013 Act (including Section 166) and in Clause 49 of the listing agreement.

C. Independent Directors are particularly requested to provide guidance in their area of expertise.

3. Time Commitment

Independent Directors are agree to devote such time as is prudent and necessary for the proper performance of their role, duties and responsibilities as an Independent Director.

4. Remuneration

As Independent Directors, shall be paid sitting fees for attending the meetings of the Board and the Committees of which they are members. The sitting fees for attending each meeting of the Board and its committees would be determined by the Board from time to time.

In addition to the sitting fees, commission that may be determined by the Board may also be payable to them. In determining the amount of this commission, the Board supported by the Nomination and Remuneration Committee may consider performance of the Company and their performance as evaluated by the Board.

5. Insurance

The Company will take an appropriate Directors' and Officers' Liability Insurance policy and pay the premiums for the same. It is intended to maintain such insurance cover for the term of their appointment, subject to the terms of such policy in force from time to time.

6. Company Code of Conduct

As Independent Directors of the Company agree to comply with the Company Code of Conduct for Non-Executive Directors (NEDs).

Unless specifically authorised by the Company, they shall not disclose Company and business information to constituencies such as the media, the financial community, employees, shareholders, agents, franchisees, dealers. Distributors and importers.

Independent Directors obligation of confidentiality shall survive cessation of their respective directorships with the Company.

The provisions of both, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and the Code of Conduct on prevention of insider trading, prohibiting disclosure or use of unpublished price sensitive information, would be applicable to the Independent Directors.

Additionally, they shall not participate in any business activity which might impede the application of their Independent judgment in the best interest of the Company.

All Directors are required to sign a confirmation of acceptance of the Company's Code of Conduct for NEDs as adopted by the Board on annual basis.

7. Training and Development

The Company may, if required, conduct formal training program for its Independent Directors.

The Company may, as may be required, support Directors to continually update their skills and knowledge and improve their familiarity with the Company and its business. The Company will fund/arrange for training on all matters which are common to the whole Board.

8. Performance Appraisal / Evaluation Process

As matters of the Board, their performance as well as the performance of the entire board and its committees will be evaluated annually, evaluation of each director shall be done by all other directors. The criteria for evaluation shall be disclosed in the Company's Annual Report. However, the actual evaluation process shall remain confidential and shall be constructive mechanism to improve the effectiveness of the Board / Committee

9. Disclosures, other directorships and business interests

During the Term, they agree to promptly notify the Company for 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 Chairman and the Company Secretary.

During the Term, they agree to promptly provide a declaration under section 149(7) of the 2013 Act, upon any change in circumstances which may affect their status as an Independent Director

10. Changes of personal details

During the Term, they shall promptly intimate the Company Secretary and the Registrar of Companies in the prescribed manner, of any change in address or other contact and personal details provided by the Company.

## 11. Disengagement

They may resign from the Directorship of the Company 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.

Their Directorship on the Board of the Company shall cease in accordance with law. The Company may disengage Independent Directors prior to completion of Term (subject to compliance of relevant provisions of the 2013 Act) upon

- Violation of any provision of the Company's Code of Conduct as applicable to NEDs.
- Upon the director failing to meet the criteria for independence as envisaged in section 194(6) of the 2013 Act.

### **INDEPENDENT DIRECTOR PROGRAMS**

2017-18

Two Independent directors were appointed on 26<sup>th</sup> May,2017. They were briefed about their role, terms and conditions, functions in the various committees of the Board. They were also briefed about the business and manufacturing process of the forgings produced by the company. The meeting went on for an hour.

2018-19

The Independent directors visited the factory and were taken through the factory explaining the entire process from Raw material to finished forgings, machining and dispatch. They were shown the product development process, the metalurgical lab etc. Nearly four hours were spent by the independent Directors in the factory.

2019-20

The independent directors on 30<sup>th</sup> May2019 attended a meeting where a presentation on the salient features of the amendments to SEBI (LODR) Regulations,2015 and SEBI (Prohibition of Insider Trading)Regulations ,2015 was explained in detail. About an hour was spent at the meeting.

2020-21

On 29<sup>th</sup> July,2020 independent directors were presented with details on the salient features of the Companies(Amendment) Act 2020. The meeting was for 40 minutes.

2021-22

On 13<sup>th</sup> August,2021 the new incumbent independent director was briefed about the terms and conditions of the appointment. Then the Independent directors were presented with details on the salient features of the SEBI ( LODR) Regulations,2015. This meeting was for almost an hour.

2022-23

On 30<sup>th</sup> May,2022 the independent directors were presented the details of the amendments made to the SEBI (LODR ) Regulations 2015. The new requirements on closure of trading window to be complied under SEBI(Prohibition of Insider Trading)Regulations.2015 was explained to the independent directors. The meeting was for around forty minutes.

2023-24

The independent directors visited the factory on 15<sup>th</sup> September,2023 and were shown around the factory . The developments made in the factory during the year was presented to them. This lasted for around 1 hour and forty minutes.

2024-25

The independent directors visited the factory on 25<sup>th</sup> September,2024 and were shown around the factory . Then the Independent directors were presented with details on the salient features of the recent amendments to SEBI ( LODR) Regulations,2015. This meeting was for almost 2 hours.

2025-26

The Independent directors were shown a detail presentation on the Amendments to the SEBI(Listing Obligations and Disclosure Requirements)2015. The duration of the meeting was 30 minutes.