

## **TERMS AND CONDITION OF APPOINTMENT FOR INDEPENDENT DIRECTORS**

# **POOJAWESTERN METALIKS LIMITED**



## **1. PREFACE:**

In accordance with the provisions of the Companies Act, 2013 (“Act”), the Board of Directors of Poojawestern Metaliks Limited (the Company”) has approved the following terms and conditions for appointment of Independent Directors in the Company.

## **2. TERM OF OFFICE**

The term of appointment of an Independent Director of the Poojawestern Metaliks Limited (“Company”) is up to a period of 5 (five) consecutive years from the date of his/ her appointment. An Independent Director is not liable to retire by rotation. The appointment of every Independent Director shall be approved by members of the Company vide special resolution. No Independent Director shall hold office for more than 2 (two) consecutive terms.

The reappointment of Independent Directors 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 of Directors (“Board”) and the shareholders vide special resolution. The reappointment would be considered based on the outcome of the performance evaluation process and independence criteria.

## **3. COMMITTEES**

- i. During the appointment, the Independent Director will be required to serve on one or more of the committees of the 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.
- ii. 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, the Independent Director should discuss the same with the Chairperson of the Company as soon as practicable and further course of action should be taken by the Company as per applicable law, in timely manner.

## **4. TIME COMMITMENT**

As a non-executive Director, you are expected to bring objectivity and independence of view to the Board’s discussions and to 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 probity and corporate governance. The Board meets at least four times in a year. The Audit Committee also meets at least four times in a year. Besides, there is other Committee/s under the requirement of Company Act 2013. You will be expected to attend Board, Board Committees to which you may be appointed and Shareholders meetings and to devote such time to your duties, as appropriate for you to discharge your duties effectively. Ordinarily, all meetings are held at registered office.

By accepting this appointment, you confirm that you are able to allocate sufficient time to meet the expectations from your role to the satisfaction of the Board.

## **5. ROLE AND DUTIES**

The roles and duties of the Independent Director will be those normally required of a Non-Executive under the Companies Act, 2013, as amended. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and are inter-alia as under:

- i. He/ she shall act in accordance with the Company’s Memorandum of Association and Articles of Association and as per the applicable law.
- ii. He/ she shall act 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 interests of the Company, its employees, the shareholders, the community and for the protection of the environment.

- iii. He/ she shall discharge duties with due and reasonable care, skill, and diligence and shall exercise independent judgement.
- iv. He/ She, unless otherwise approved by the Board, shall not be involved in a situation in which he/ she may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- v. He/ She shall not achieve or attempt to achieve any undue gain or advantage either to himself/ herself or his/ her relatives, partners, or associates and if he/ she is found guilty of making any undue gain, he shall be liable to pay an amount equal to the gain of the Company.
- vi. He/ She shall not assign his/ her office as Director and any assignment so made shall be void.
- vii. He/ She shall comply with all applicable laws and regulations of all the relevant regulatory and other authorities as may be applicable to such Directors in their individual capacities.

The 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 and Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (including any modification or re-enactment of the same) that come with such an appointment along-with accompanying liability.

As an Independent Director of the Company, he/she will comply with all applicable laws and regulations of all the relevant regulatory and other authorities, as may apply to such Directors in their capacity.

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 connivance or where the Independent Director had not acted diligently.

## **5. ADDITIONAL APPLICABLE STATUTORY REQUIREMENTS**

As a Non-Executive Director on the Board, they will be subject to all relevant provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## **6. DIRECTORS' FEES / REMUNERATION**

### **Sitting Fees**

Independent Directors may be paid sitting fees for attending meetings of the Board of Directors and committees thereof (of which they are members), as per the ceiling/ limits prescribed under the Act.

### **Remuneration**

Subject to the provisions of sections 197 and 198 of the Act, an ID may receive remuneration by way of sitting fees, reimbursement of expenses for participation in Board and other meetings and profit related commission, as may be approved by the members.

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

## **7. 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.

If 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 Company Secretary.

## **8. DISCLOSURES, OTHER DIRECTORSHIPS AND BUSINESS INTERESTS**

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## **9. 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.

## **10. PERFORMANCE APPRAISAL / EVALUATION PROCESS**

As members 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 the other directors. Your appointment and re appointment on the Board shall subject to the outcome of the yearly evaluation process. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board / Committee.

## **11. INDEPENDENT PROFESSIONAL ADVICE**

There may be occasions when you consider that you need professional advice in furtherance of your duties as a director and it will be appropriate for you to consult independent advisers at the Company's expense. The Company will reimburse the full cost of expenditure incurred in accordance with the Company's policy.

## **12. DISCLOSURE OF INTEREST**

The Company must include in its Annual Accounts a note of any material interest that a Director may have in any transaction or arrangement that the Company has entered into. Such interest should be disclosed no later than when the transaction or arrangement comes up at a Board meeting so that the minutes may record your interest appropriately and our records are updated. A general notice that you are interested in any contracts with a particular person, firm or company is acceptable.

## **13. 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 dispensed with in accordance with the provisions of the Companies Act, 2013 & Articles of Association of the Company.

#### **14. SEPARATE MEETINGS**

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. All the Independent Directors of the Company shall strive to be present at such meeting.

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 and non-executive directors;
- (c) assess the quality, quantity and timeliness of flow of information between the management of the Company and the Board that is necessary for the Board to effectively and reasonably perform their duties.

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