



**TERMS AND CONDITIONS**  
**OF**  
**APPOINTMENT(S) OF INDEPENDENT DIRECTORS**

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## **TERMS AND CONDITIONS**

### **OF APPOINTMENT OF INDEPENDENT DIRECTORS**

The terms and conditions of Appointment of Independent Directors, shall be subject to the provisions of the Applicable laws and Articles of Association of the Company.

#### **1. Terms of Appointment:**

- Subject to Members' approval at the Annual General Meeting of the Company, the term of appointment of Independent Directors of the Company is for a period of 5 consecutive from the date of their being appointed or designated as such on the Board of the Company.
- Independent Directors will be eligible to be re-appointed for a further period 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 Shareholders. However after completion of Two (2) terms of Five (5) years each such Independent director shall be eligible for appointment after the expiration of Three (3) years of ceasing to become an Independent Director.

#### **2. Role and functions:**

The Independent directors shall:

- 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;
- bring an objective view in the evaluation of the performance of board and management;

- scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- safeguard the interests of all stakeholders, particularly the minority shareholders;
- balance the conflicting interest of the stakeholders;
- 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;
- moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

### **3. Duties:**

- Apart from other responsibilities casted by various statutes as a Director, the duties of Independent Director shall be as per Schedule IV of the Companies Act, 2013.
- Independent Director shall give declaration of Independence at every year at first board meeting & change, if any, in status of Independence to the Board of Directors immediately.
- In addition to their role as a Director, the Board may nominate Independent Director as the Chairman / Member of other Board Committees, as it may deem fit from time to time.

- Independent Director shall follow all provisions of Article of Association, Memorandum of Association and shall report to the Board, if any, non compliance found during his tenure of appointment/office.

#### **4. Code of Conduct:**

- The Board has put in place a Code of Business Ethics. An annual affirmation of compliance is required to be provided by the Independent Directors on the same.

#### **5. Remuneration:**

- Independent Directors are entitled to a Sitting Fee for every meeting of the Board. The amount of sitting fess shall be as decided by the Board from time to time, as deemed fit;
- Independent Directors are also entitled to a Sitting Fee for every meeting of the committee of board, if approved by Board. The amount of sitting fess shall be as decided by the Board from time to time, as deemed fit;
- The Board may also approve payment of a Commission with respect to the net profits of the Company, subject to necessary approvals.

#### **6. Resignation:**

- Independent Director may serve resignation to Board of Directors which shall be subject to acceptance by Board of Directors at next meeting.

The Board may prescribe any further duties and responsibilities, including as per the provisions of the applicable regulations.