

TERMS & CONDITIONS FOR APPOINTMENT OF INDEPENDENT DIRECTORS

The terms of your appointment, as set out in this letter, are subject to the provisions of the Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as and when applicable and the Articles of Association of the Company (as amended from time to time) and as has been discussed by the Board from time to time.

1) Appointment

Subject to approval by the members in the ensuing Extra Ordinary General Meeting, you will be appointed for a term of five (5) years with effect from 11.09.2023, unless terminated earlier, as per the terms set out in this letter or applicable laws (“**Term**”).

As an Independent Director you will not be liable to retirement by rotation.

The Board may reconstitute the composition of any / all Committees, from time to time, and any such change shall be promptly communicated to you. In such an event, we trust you would be willing to serve, on the Committees of the Board.

2) Role, duties and responsibilities

- a) As a member of the Board you, along with the other Directors, will be collectively responsible for meeting the objectives of the Board which include:-
 - Requirements under the Companies Act 2013,
 - Requirements under Regulation 25 of SEBI (LODR) Regulations, 2015 as and when applicable,
 - Accountability under the Director’s Responsibility Statement,
 - Overseeing the maintenance of high standards of Chatha Foods values and ethical conduct of business,
 - Overseeing the Company’s contribution to enhancing the quality of life of communities,
 - Protecting and enhancing the Chatha Foods brand.
- b) You 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 Regulation 17(5) of SEBI (LODR) Regulations, 2015 as and when applicable. For your ready reference, the relevant provisions have been extracted and attached to this letter as Annexures.
- c) You will also be responsible for providing guidance in the area of your expertise.

3) Time Commitment

Considering the nature of the role of a director, it is difficult for a company to lay down specific parameters on time commitment. You agree to devote such time as is prudent and necessary for the proper performance of your role, duties and responsibilities as an Independent Director.

4) **Remuneration**

As an Independent Director you shall be paid sitting fees for attending the meeting of the Board and the Committees of which you are a member fixed by the Board from time to time in accordance with the limit specified under the 2013 Act.

Further, the Company may pay or reimburse to you such fair and reasonable expenditure, as may have been incurred by you while performing your role as an Independent Director of the Company. This could include reimbursement of expenditure incurred by you for attending Board / Committee meetings, General Meetings, court convened meetings, meetings with creditors / management, site visits, induction and training (organized by the Company for Directors) and in obtaining, subject to prior consultation with the Board, professional advice from independent advisors in the furtherance of your duties as an Independent Director.

5) **Insurance**

The Company may take an appropriate Directors' and Officers' Liability Insurance policy and the premiums for the same will be paid by the Company. It is intended to maintain such insurance cover for the Term of your appointment. A copy of the policy document will be supplied on request.

6) **Code of Conduct**

During g the appointment, the Independent Director shall comply with the following codes of conduct:

- (a) Code of conduct for Board of Directors
- (b) Code of Conduct for prevention of Insider Trading
- (c) Code for Independent Directors as provided in Schedule IV to the Companies Act, 2013;

- uphold ethical standards of integrity and probity;
- act objectively and constructively while exercising his duties;
- exercise his responsibilities in a bona fide manner in the interest of the company;
- devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- not allow any extraneous considerations that will vitiate his 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.
- not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage for any associated person;
- refrain from any action that would lead to loss of his independence;
- where circumstances arise which make an independent director lose his

independence the independent director must immediately inform the Board accordingly;

- assist the company in implementing the best corporate governance practices.

7) **Training and Development**

The Company shall, if required, continue to conduct formal training and development program for its Independent Directors which may include any or all of the following:-

- a) Board roles and responsibilities, whilst seeking to build working relationship among the Board members,
- b) Company's vision, strategic direction, core values, ethics and corporate governance practices,
- c) Familiarization with financial matters, management team and business operations,
- d) Meetings with stakeholders, visits to business locations and meetings with senior and middle management.

The Company shall, 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 a member of the Board, your performance as well as the performance of the entire Board and its Committees shall be evaluated annually. Evaluation of performance of each director shall be done by all the other directors. The criteria for evaluation shall be determined by the Nomination & Remuneration (HR) Committee and disclosed in the Company's Annual Report. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board / Committee. An indicative list of factors that may be evaluated as part of this exercise is:-

- a) Participation in the meetings and contribution by a director,
- b) Commitment (including guidance provided to senior management outside of Board / Committee meetings),
- c) Effective deployment of knowledge and expertise,
- d) Effective management of relationship with stakeholders,
- e) Integrity and maintenance of confidentiality,
- f) Independence of behavior and judgment, and
- g) Impact and influence.

9) **Liability**

Subject to the provisions of the Companies Act and other applicable laws including the regulations framed under SEBI Act, as an independent director you will be liable only in respect of such acts of omission or commission by the Company which had

occurred with your knowledge, attributable through Board processes, and with your consent or connivance or where you had not acted diligently.

10) Disclosure, other directorships and business interests

You agree to promptly notify the Company of any change in your directorships during the Term, and provide such other disclosures and information as may be required under the applicable laws. You also agree that upon becoming aware of any potential conflict of

interest with your position as Independent Director of the Company, you shall promptly disclose the same to the Chairman and the Company Secretary. Please inform us if you have any such conflict of interest with your existing directorships as on date of this letter.

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

11) Changes in personal details

During the Term, you 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 to the Company.

12) Termination

Your directorship on the Board of the Company shall terminate or cease in accordance with law.

You 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 you in the notice, whichever is later.

If at any stage during the Term, there is a change that may affect your status as an Independent Director as envisaged in Section 149 (6) of the 2013 Act or, if applicable, you fail to meet the criteria for “independence” under the Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015 as and when applicable, you agree to promptly submit your resignation to the Company with effect from the date of such change.

13) Induction

The company shall familiarize the independent directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programmes. You should feel free to request any further information which you require, at any time.

14) Cooperation

In the event of any claim or litigation against the Company, based upon any alleged conduct, act or omission on your part during your Term, you agree to render all reasonable assistance and cooperation to the Company and provide such information and documents as are necessary and reasonably requested by the Company or its counsel.

15) Acceptance of Appointment

We are confident that the Board and the Company will benefit immensely from your rich experience and we are eager to have you as an integral part of the growth of our Company. If these terms of appointment are acceptable to you, please confirm your acceptance by signing and returning the enclosed copy of this letter.