

Terms and Conditions of appointment of Independent Directors

The terms and Conditions of the appointment of Independent Directors of La Gajjar Machineries Private Limited ("LGM / the Company"), are subject to the provisions of the Companies Act, 2013 and rules thereof and such amendments, as may be made thereto from time to time (hereinafter referred to as 'the Act'). The broad terms and conditions of appointment of Independent Directors are as under:

1. Term of office

The appointment of Independent Director will be for the period as decided by the Board in compliance with the relevant provisions of the Act. The Company may remove Independent Directors prior to completion of the Term subject to compliance of relevant provisions of the Act.

2. Committees of Board

The Independent 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.

3. Role and Duties

The role and duties will be those as specified for an Independent Director under the Act. The same are set out in detail in the Code of Conduct for Independent Directors of LGM. The Independent Directors shall completely abide by this Code during their term as an Independent Director and are expected to bring objectivity and independence of view to the Board's discussions and to help provide the Board with effective guidance in relation to the Company's strategy, performance and risk management as well as ensuring high standards of financial probity and corporate governance.

4. Time Commitment

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

5. Remuneration

Independent Director 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 from time to time. Further, they may also be paid remuneration by way of commission as may be approved by the Board and Shareholders from time to time.

This is a model of broad terms and conditions of appointment of Independent Director which is subject to amendments.

Payment of sitting fees and commission shall at all times be subject to the provisions of the Act.

6. Reimbursement of Expenses

In addition to the remuneration described in 5 above, the Company will for the period of appointment of Independent Director, will reimburse travel, hotel and other incidental expenses incurred by them in the performance of your role and duty.

7. Other Directorship and business interest

It is acknowledged that Independent Director may have other directorship and business interests other than those of the Company. In the event that circumstances seem likely to change and might give rise to a conflict of interest, not declared so far, these should be disclosed to the Chairman by Independent Director.

8. Confidentiality

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

9. Directors and Officers (D and O) insurance (if any)

The Company may maintain a Directors and Officers insurance policy (D & O Policy) to pay personal liability of directors and officers for the claims made against Independent Director while serving on the Board and / or as an officer of the Company. The detail of the D & O Policy will be informed to Independent Directors.

10. Induction

The management will be organizing a suitable training programme for Independent Directors to familiarize them 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.

This is a model of broad terms and conditions of appointment of Independent Director which is subject to amendments.

11. Evaluation mechanism

The performance evaluation of Independent Director will be done on an annual basis by the Nomination and Remuneration Committee as well as by the Board of Directors. Continuation or extension of their term of appointment will be based on the report of performance evaluation.

12. Termination

Independent Director may resign as a Director at any time in the manner as provided under the Act. The appointment may also be terminated in accordance with the provisions of the Act.

This is a model of broad terms and conditions of appointment of Independent Director which is subject to amendments.