

Draft appointment letter

To,

Date _____

Nitin Alshi
Additional Director
202, Abhyankar,
Nagar, Nagpur 440010

Dear Sir,

Sub: Appointment as an Independent Director

We are pleased to inform you that upon approval of Board of Directors of the Company in their meeting held on 29th June, 2024, and shareholders at the Extra Ordinary General Meeting held on _____, you are being appointed as an Independent Director on the Board of the Company who shall not liable to retire by rotation, with immediate effect for a period of upto three years. The appointment is governed by the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

You may also kindly note the following in respect of your appointment:-

1. Appointment

1.1 You have been appointed as a Non-Executive Independent Director on the Board of Directors of Emmbi Industries Limited with effect from 29th June, 2024 for a period of three years. Your appointment shall be governed by the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “the Listing Regulations”).

1.2 The term ‘Independent Director’ should be construed as defined under the Companies Act, 2013 and the Listing Regulations.

1.3 The Company is required to comply with the applicable provisions with respect to the appointment and tenure of Independent Directors as given under the Companies Act, 2013 and the Listing Regulations. Accordingly, the Independent Directors can serve for not more than two terms of five years each on the Board of the Company. The disengagement earlier than five years will be in accordance with the applicable provisions of the Companies Act, 2013 and Listing Regulations or on mutually agreed terms.

2. Board committees

2.1 The Board of Directors (the Board) may, if it deems fit, invite you for being appointed on one or more existing Board Committees or any such Committee that is set up in the future. Your appointment on such Committee(s) will be subject to the applicable regulations.

At present you will be Chairman/ member of the following Committees of the Board:

Sr. No	Name of the Committee	Chairman/ Member
1.	Audit Committee	Chairman
2.	Stakeholders Relationship Committee	Member

3.	Corporate Responsibility Committee	Social	Member
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3. Role, Duties and Responsibilities

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

- I. You shall act in accordance with the Company's Articles of Association.
- II. You 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.
- III. You shall discharge your duties with due and reasonable care, skill and diligence.
- IV. You shall not involve yourself in a situation in which you may have a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company. Any situation that creates a conflict of interest between personal interests and the Company and its stakeholders' interests, must be avoided at all costs. Please refer to clause 10 for full explanation on conflict of interest.
- V. You shall not assign your office as Director and any assignments so made shall be void. There are certain roles, functions, duties prescribed for all Independent Directors, which are listed in the 'Code for Independent Directors' as outlined in Schedule IV to the Companies Act, 2013. You shall abide by the said 'Code of Conduct for Independent Directors' as amended from time to time to the extent relevant and applicable to your role.
- VI. You will also be responsible for providing guidance in the area of your expertise. Further, Independent Directors have the same general legal responsibilities to the Company as that of any other director. The Board, as a whole, is collectively responsible for ensuring the success of the Company by directing and supervising the Company's affairs.

4. Time Commitment

4.1 As a Non-Executive Independent Director you are expected to bring objectivity and independence to the Board's discussions and 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 and the Audit Committee meets at least four times in a year. The Nomination and Remuneration Committee meetings and other committees meet as per requirement. You will be expected to attend the Board Meetings, the Board Committees Meetings in which you are nominated as member, the Annual General Meetings and the Extra-Ordinary General Meetings and to devote sufficient time, as required for you to discharge your duties effectively. Ordinarily, all meetings are held in Mumbai. The Annual General Meetings and Extra-Ordinary General meetings are held at the Registered Office of the Company at Silvassa.

4.2 By accepting this appointment, you confirm that you are in a position to allocate sufficient time to meet the expectations of your role to the satisfaction of the Board.

5. Professional Conduct

5.1 As an Independent Director, you shall:

- a) Uphold ethical standards of integrity and probity;
- b) Act objectively and constructively while exercising your duties;
- c) Exercise your responsibilities in a bona fide manner in the interest of the Company;

- d) Devote sufficient time and attention to your professional obligations for informed and balanced decision-making;
- e) Not allow any extraneous considerations that may vitiate your exercise of objective independent judgement in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgement of the Board in its decision-making;
- f) Not abuse your position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- g) Refrain from any action that could lead to a loss of your independence;
- h) Ensure that if circumstances arise under which you may lose your independence, you will immediately inform the Board accordingly;
- i) Assist the Company in implementing the best corporate governance practices.

6. Status of Appointment and Remuneration

6.1 You will not be an employee of the Company and this letter shall not constitute a contract of employment. You will be paid such remuneration by way of sitting fees for attending meetings of the Board and its Committees as may be decided by the Board and approved from time to time.

7. Reimbursement of Expenses

In addition to the remuneration described in paragraph 6, the Company will, for the period of your appointment, reimburse you reasonable expenses incurred in the discharge of your roles/duties including:

7.1 Airfare to attend the Board or Committee meetings or General Meetings of Members, Court Convened Meetings or Meetings with Creditors, wherever applicable.

7.2 Accommodation in a hotel of high standing during the days of the Board and Committee meetings or General Meetings of Members, Court Convened Meetings or Meetings with Creditors, and during the day prior to such meetings, as may be necessary.

7.3 Out-of-pocket expenses like conveyance, food, and incidentals that are incurred during the days of the Board and Committee meetings or General Meetings of Members, Court Convened Meetings or Meetings with Creditors.

7.4 Such other Out-of-pocket expenses incurred while discharging any responsibility assigned by the Board or and Committee of the Company.

8. Insurance

8.1 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 your appointment, subject to the terms of such policy in force from time to time. A copy of the policy document will be supplied on request.

9. Induction and Training

9.1 The Company shall, if required, conduct formal induction program for its Independent Directors which may include any or all of the following:

- Board roles and responsibilities, whilst seeking to build working relationships among the Board members,
- Company's vision, core values, ethics and corporate governance practices,
- Familiarization with financial matters, management team and business operations and strategies,
- Meetings with Stakeholders, senior & middle management and visits to business and factory locations.

9.2 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. It will arrange for training on all matters which are common to the whole Board.

10. Conflict of Interest

10.1 It is accepted and acknowledged that you may have business interests, memberships other than those of the Company. As a condition to your appointment commencing, you are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of your appointment.

10.2 In the event that your 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 judgement that you are independent, this should be disclosed to both the Chairman and the Company Secretary of the Company.

11. Evaluation

11.1 The performance evaluation of Independent Directors shall be done by the entire Board of Directors excluding the director being evaluated. Your appointment and reappointment on the Board shall be subject to the outcome of the evaluation process.

12. Confidentiality

12.1 All information acquired during your tenure of directorship is confidential and should not be disclosed, either during your tenure or following termination (by whatever means) to any third party without prior clearance from the Chairman, unless required by law or by the rules of any stock exchange or regulatory body. In the latter case, you would be required to suitably inform the Chairman of such an event or disclosure. You should direct any media queries or approaches to the appropriate spokesperson within the Company. On reasonable request, you shall surrender any documents and other materials made available to you by the Company.

13. Dealings in Shares and Code of Conduct

13.1 Directors are prohibited from dealing in the Company's shares during the period when the trading window is closed. Further, directors, being designated officers of the Company for the purposes of insider trading guidelines, are to pre-clear all trades (buy/sell) from the Chairman / Compliance Officer of the Company. You are required to comply with the applicable insider trading laws and regulations.

14. Disclosure of Interest

14.1 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.

15. Termination

15.1. You may resign from your position at any time and should you wish to do so, you are requested to serve a reasonable written notice to the Board 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.

15.2 Continuation of your appointment is contingent on your getting re-elected by the shareholders in accordance with provisions of Companies Act, 2013 and the Articles of Association of the Company, from time to time in force. You will not be entitled to compensation if the shareholders do not re-elect you at any time.

15.3 Your appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company from time to time in force.

16. Cooperation

16.1 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.

17. Miscellaneous

17.1 This letter represents the entire understanding, and constitutes the whole agreement, in relation to your appointment and supersedes any previous agreement between yourself and the Company with respect thereto and, without prejudice to the generality of the foregoing, excludes any warranty, condition or other undertaking implied at law or by custom.

17.2 No waiver or modification of this letter shall be valid unless made in writing and signed by you and the Company.

17.3 This letter is governed by and will be interpreted in accordance with Indian Law and your engagement shall be subject to the jurisdiction of the Indian courts.

18. Acceptance of Appointment

18.1 We are confident that your association, expertise and advice will immensely benefit the Company and the Board. If these terms of appointment are acceptable to you, please confirm your acceptance by signing and returning the enclosed copy of this letter.

Yours Sincerely,
For Emmbi Industries Limited

Rinku Appalwar
Executive Director and CFO
(DIN:00171976)

I hereby acknowledge receipt of and accept the terms set out in this letter.

Name: Nitin Alshi

Signed: _____

Dated: _____

Place: _____