

## SHIVALIK BIMETAL CONTROLS LIMITED

### LETTER OF APPOINTMENT FOR INDEPENDENT DIRECTORS

Ms. Anu Ahluwalia  
Panchwati, Bansal, Chambaghat,  
Solan, Himachal Pradesh - 173 213

**Sub.: appointment as an Independent Director of Shivalik Bimetal Controls Limited (the Company")**

I am pleased to inform you that the Board of Directors at the Board Meeting held on August 12, 2019 have approved your appointment as an Independent Director for a period of 5 (five) years subject to the approval of shareholders at the ensuing Annual General Meeting. This letter of appointment sets out the terms and conditions covering your appointment which are as follows:

**APPOINTMENT:**

1. Your appointment as a Non-Executive Independent Director on the Board of Directors of the Company is subject to the provisions of the Companies Act, 2013.
2. In compliance with provisions of section 149(13) of the Companies Act, 2013, your directorship is not subject to retirement by rotation.
3. Notwithstanding other provisions of this letter, the appointment may be terminated in accordance with the provisions of the Articles of Association of the Company or on failure to meet the parameters of independence as defined in section 149(6) or on the occurrence of any event as defined in section 167 of the Companies Act, 2013.
4. Upon termination or upon your resignation for any reason, duly intimated to the Company, you will not be entitled to any compensation for loss of office.

**PROFESSIONAL CONDUCT**

5. 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, and
- i) assist the Company in implementing the best corporate governance practice

#### **ROLE AND DUTIES:**

- 6. Your role and duties will be those normally required of a Non-Executive Independent Director under the Companies Act, 2013. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and are as under:
  - a) You shall act in accordance with the Company's Articles of Association as may be amended from time to time.
  - b) 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 interest of the Company.
  - c) You shall discharge your duties with due and reasonable care, skill and diligence.
  - d) 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 interest of the Company.
  - e) You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.
  - f) You shall not assign your office as Director and any assignments so made shall be void.

#### **STATUS OF APPOINTMENT:**

- 7. 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 meetings of the Board and its Committees as may be decided by the Board. Further, you will also be paid remuneration by way of commission as may be approved by the Board and the Shareholders from time to time.
- 8. The sitting fees presently paid to the Non-Executive Independent Director is Rs. 3500/- per meeting of the Board.
- 9. You will have no entitlement to any bonus during the appointment and no entitlement to participate in any employee stock option scheme operated by the Company or any Group Company.

#### **REIMBURSEMENT OF EXPENSES**

- 10. In addition to the remuneration described above, the Company will, for the period of your appointment, reimburse you for travel, hotel and other incidental expenses incurred by you in the performance of your role and duties.

#### **EVALUATION**

- 11. The Board of Directors will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors on an annual basis as per Company's Policy. Your appointment and reappointment on the Board shall be subject to the outcome of the yearly evaluation process.

#### **DISCLOSURE OF INTEREST**

- 12. Any material interest that a Director may have in any transaction or arrangement that the Company has entered into should be disclosed not 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 contract with a particular person, firm or company is acceptable.

#### **CODE OF CONDUCT**

13. During the appointment you are required to comply with regulations as contained in Schedule IV under Companies Act, 2013, including the Code of Conduct.

#### **MEMBERSHIP OF COMMITTEES**

14. The Board of Directors may appoint you as Member / Chairman of one or more of its Committees which will be covered in a separate communication setting out the relevant committee's terms of reference and any specific responsibilities.

Please confirm your agreement to the above by signing and returning the enclosed duplicate of this Letter.

Yours sincerely,

For **SHIVALIK BIMETAL CONTROLS LIMITED**

**S. S. Sandhu**  
Chairman

I have read and agree to the above terms regarding my appointment as an Independent Director of Shivalik Bimetal Controls Limited.

**INDEPENDENT DIRECTOR**

Date: