

Terms and Conditions of Appointment of Independent Directors

The Terms and Conditions of appointment of Independent Directors of the Company Gorani Industries Limited (“the Company”) are in accordance with the requirements of Schedule IV to the Companies Act, 2013 (“the Act”) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Regulations”).

The broad terms and conditions of appointment of Independent Directors are reproduced hereunder:

1. **Appointment**

The appointment as an Independent Director on the Board will be effective from the date of appointment and shall hold office for a term up to five consecutive years on the Board of a company (‘Term’). The Independent Director shall be eligible for reappointment as per the provisions of the Act and the Regulations, as amended from time to time. The Company may disengage Independent Directors prior to completion of the Term subject to compliance with relevant provisions of the Act.

Independent Directors will not be liable to retire by rotation.

2. **Role, duties and responsibilities**

- A. As members of the Board, they along with the other Directors will be collectively responsible for meeting the objectives of the Board which include:
- Requirements under the Act,
 - “Responsibilities of the Board” as outlined in the Corporate Governance requirements as prescribed under the regulations and
 - Accountability under the Directors’ Responsibility Statement.
- B. Independent Director is expected to bring objectivity and independence of view to the Board’s discussions and to help provide the Board with effective inputs in relation to the Company’s strategy, performance and risk management as well as ensuring high standards of financial probity and corporate governance. Independent Director is also expected to observe and comply with applicable laws, the charter documents of the Company and the rules, regulations and policies of the Company, in relation to his/her directorship and the business of the Company.
- C. They shall abide by the ‘Code For Independent Directors’ as outlined in Schedule IV pursuant to Section 149(8) of the Act, and duties of directors as provided in the Act (including Section 166) and the regulations.
- D. They are particularly requested to provide guidance in their area of expertise.

3. Time Commitment

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

4. Remuneration and Reimbursement of Expenses

As Independent Directors, they shall be paid sitting fees for attending the meetings of the Board and the Committees of which they are Members. The sitting fees for attending each meeting of the Board and its Committees would be as determined by the Board from time to time.

In addition to the sitting fees, commission that may be determined by the Board may also be payable to them. In determining the amount of this commission, the Board supported by the Nomination and Remuneration Committee may consider performance of the Company and their performance as evaluated by the Board.

Further, the Company may pay or reimburse to the Directors such expenditure, as may have been incurred by them while performing their role as Independent Directors of the Company. This could include reimbursement of expenditure incurred by them for accommodation, travel and any out of pocket expenses for attending Board/ Committee meetings, General Meetings, court convened meetings, meetings with shareholders/creditors/management, site visits, induction and training (organized by the Company for Directors) and in obtaining, subject to the expense being reasonable, professional advice from independent advisors in the furtherance of their duties as Independent Directors.

5. Training and Development

The Company may, if required, conduct formal training program for its Independent Directors. The Company may, 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.

6. Performance Appraisal/Evaluation Process

As members of the Board, their performance as well as the performance of the entire Board and its Committees will be evaluated annually. Evaluation of each director shall be done by all the other directors. The criteria for evaluation shall be 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.

7. Disclosures, other directorships and business interests

During the Term, they agree to promptly notify the Company of any change in their directorships, and provide such other disclosures and information as may be required under the applicable laws. They also agree that upon becoming aware of any potential conflict of interest with their position as Independent Directors of the Company, they shall promptly disclose the same to the Chairman and the Company Secretary.

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

8. Disengagement

They 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 them in the notice, whichever is later. Their directorship on the Board of the Company shall cease in accordance with law.

The Company may disengage Independent Directors prior to completion of Term. (subject to compliance of relevant provisions of the Act)

9. Confidentiality

- (i) All information in relation to the Company acquired by Independent Directors during the appointment and tenure as an Independent Directors is confidential and should not be disclosed to third parties unless required by law.
- (ii) Independent Directors is subject to and bound by the prohibition and restrictions against insider trading and disclosure of unpublished price sensitive information, as prescribed under the Act and the regulations issued by the Securities and Exchange Board of India ("SEBI"). Independent Directors would have to strictly abide by the Code of Conduct for Prevention of Insider Trading of the Company under SEBI (Prohibition of Insider Trading) Regulations, 1992 (as amended or replaced from time to time).

10. Liability

Subject to applicable law, for any breach of duties, Independent Directors will be liable to consequence prescribed under applicable law and in relation to the Company, Independent Directors would be liable for such acts of omission or commission by the Company which had occurred with his/her knowledge, attributable through Board processes, and with his/her consent or connivance, or where Independent Directors has not acted diligently.

Note: These are general terms and conditions of appointment of Independent Directors which are subject to modifications/amendments.