

**THIS AGREEMENT is made on this \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_**

**BETWEEN**

**TITAGARH WAGONS LIMITED** an existing company within the meaning of the provisions of the Companies Act, 2013 (hereinafter referred to as '**the Company**') and having its registered office at 756 Anandapur, E M Bypass, Kolkata 700107 of the **First Part**;

**AND**

**SHRI JAGDISH PRASAD CHOWDHARY**, son of Late Kashi Nath Chowdhary, resident of 14B Gurusaday Road, Kolkata 700019, Chairman & Managing Director of the Company of the **Second Part**;

**WHEREAS**

- A) Shri J P Chowdhary having consented to the reappointment as Chairman & Managing Director, designated as Executive Chairman ("**EC**"), satisfies the conditions specified in Part I of Schedule V to the Companies Act, 2013 ('**the Act**') and other provisions of the Act as may be applicable;
- B) Pursuant to the said consent and in accordance with the applicable provisions of law including consent of the shareholders to be obtained by a special resolution at the general meeting held next after his appointment, Shri J P Chowdhary has been re-appointed as EC by the Board at its meeting held on 10<sup>th</sup> August, 2021 for a further term of five years with effect from the 8<sup>th</sup> day of January, 2022 on the terms and conditions after review of such reappointment by the Audit Committee at its meeting held on 10<sup>th</sup> August, 2021 and at remuneration approved by the Nomination and Remuneration Committee at its meeting held on 9<sup>th</sup> day of August, 2021 as set out hereinafter;

c) Shri J P Chowdhary has accepted the said terms and conditions of the appointment.

**NOW, IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:**

TERM

1) Shri J P Chowdhary's appointment as the Executive Chairman (EC) of the Company with effect from the 8<sup>th</sup> day of January, 2022 is for a period of 5 (five) years.

POWERS & DUTIES

- 2) EC shall exercise and be vested with such powers as the Board of Directors of the Company (hereinafter referred to as '**the Board**') shall, from time to time, determine and subject to the superintendence, control and direction of the Board he shall look after the day to day affairs having general control, management and superintendence of the business of the Company with power to appoint and to dismiss employees, enter into contracts, sign all documents, deeds, agreements and other papers on behalf of the Company in the ordinary course of business and to do and perform all other acts, deeds and things, which in the ordinary course of business, he may consider necessary or proper or in the interest of the Company, provided however, that nothing shall be done by EC which by the Act or the Articles of the Company is required to be transacted at a meeting of the Board by resolution or which shall not be effective unless approved by the Board.
- 3) As unanimously resolved by the Board at its meeting held on December 08, 2006, Shri J P Chowdhary shall continue to be the Chairman of the Board throughout his tenure on the Board of the Company.
- 4) Without prejudice to the generality of the powers vested hereinabove, EC shall subject to the compliances/approvals applicable thereto be entitled to exercise inter alia the following powers:
  - a) To open and operate any banking or other account and to draw, make, accept, execute, endorse, discount, negotiate, retire, pay, satisfy and assign cheques, drafts, bills of exchange, promissory notes, hundis, interest and dividend warrants and other negotiable or transferable instruments or securities;
  - b) To borrow moneys with or without security for the business of the Company;
  - c) To invest funds of the Company in fixed deposit(s) or other permissible instrument with the Company's bankers/institutions etc.;
  - d) To engage and remove persons in the employment of the Company;
  - e) To increase or vary the salary or remuneration of any employee of the Company as may be deemed fit by him;

- f) To enter into contracts for purchase of goods for the Company subject to approval of the Board in terms of the Act, wherever necessary;
- g) To institute, prosecute, defend, oppose, appear or appeal to, compromise, refer to arbitration, abandon execution, become non-suited in any legal proceedings including trade marks, trade names, trade property and passing off actions and revenue proceedings relating to taxes including GST, customs or excise duties, tax on income, profits and capital and taxation, generally or otherwise;
- h) To delegate or sub-delegate powers/tasks given to him to such officials of the Company as he deems appropriate and also permit delegates to sub-delegate such powers/tasks in connection with business of the Company and to execute necessary Power of Attorney(s) and other instruments to give effect to the delegation.

#### REMUNERATION

- 5) The Company shall pay to EC during the continuance of this agreement in consideration of the performance of his duties the following remuneration:

Total Remuneration in a Financial Year to EC shall not exceed 5% of the Net Profit of the Company computed in accordance with the applicable provisions of the Act and shall include salary/ perquisites/allowances as detailed below

- a) **Basic Salary:** Rs. 12,00,000/- (Rupees Twelve Lakh only) per month, and;
- b) **Perquisites/Benefits:**
  - i) House rent allowances of upto 60% of the basic salary or a furnished accommodation.
  - ii) Special allowance: Rs. 80,000/- (Rupees Eighty Thousand) only or the balance amount remaining after deduction of the sum representing the applicable statutory valuation of other perquisites as may be entitled to him and availed by him;
  - iii) Expenditure on gas, electricity, water and furnishings at the market value to be evaluated in terms of the Income Tax Rules, 1962;
  - iv) Company's contribution to Provident Fund to the extent the same is not taxable under the Income Tax Act, 1961;
  - v) Gratuity payable at the rate not exceeding 15 (fifteen) days' salary or as may be allowed by the prevailing provisions of law applicable thereto for each completed year of service;
  - vi) Encashment of Leave at the end of tenure in accordance with the rules of the Company and the same not be included in the remuneration as permitted by the provisions of the Act;
  - vii) Use of Company owned car with driver;
  - viii) Provision of mobile and telephone;
  - ix) Medical Expenses and hospitalization expenses incurred by the incumbent on self and spouse in India or abroad.

- x) Club Fees: Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.
- xi) Leave Travel Concession: For him and his family (family includes spouse and dependent children) once in a year incurred in accordance with the rules of the Company.
- xii) Personal Accident Insurance with an annual premium on the policy as per the Rules of the Company.
- xiii) Any other perquisite or benefit in accordance with the Rules of the Company provided the same together with the salary, perquisites and performance bonus (other than the perquisites not required to be included in the remuneration in pursuance of the applicable provisions of the Act/law) is within the overall limit of 5% laid down herein.
- xiv) The perquisite/benefits shall be valued as per the Income Tax Act, 1961, wherever applicable.

Provided that the amount incurred by the Company towards provision of car for use on the Company's business and mobile phone and telephone at residence will be excluded from computation of the aforesaid ceiling on remuneration of EC. Further, the contribution of the Company to Provident Fund, Gratuity payable by the Company, and encashment of leave or any other benefit(s) to the extent exempt under the Income Tax Act, 1961 at the end of the tenure will not be included in the computation of the aforesaid ceiling on remuneration of EC.

- d) The Company shall reimburse actual entertainment and travelling expenses incurred by EC in the course of the Company's business.
- e) EC will not receive sitting fees for attending meetings of the Board of Directors and/or Committees thereof, as the case may be, of the Company as well as of its subsidiaries.
- f) EC shall be liable to retire by rotation as stipulated by the provisions of Section 152 of the Companies Act, 2013.

***Minimum Remuneration***

In the event of inadequacy or absence of net profits in any year during the tenure of EC, he shall be paid minimum remuneration as may be prescribed by the Schedule V and/or other applicable provisions of the Companies Act, 2013 as prevailing, subject to such minimum remuneration not being less than the existing minimum remuneration of Rs. 240 lakhs per annum.

- 6) EC undertakes to comply with the codes including the Code of Conduct for Directors and the Code for regulations of Insider Trading etc. adopted by the Board.
- 7) The duties of directors as prescribed by the provisions of Section 166 of the Companies Act, 2013 are annexed for information and necessary action by the EC.

- 8) EC shall not during the continuance of his employment of the Company, engage in any sole selling agency with the Company either through himself or through his relatives or associates.
- 9) This agreement and the terms and conditions hereof shall be subject to the approval of the shareholders of the Company in general meeting under the relevant provisions of the Companies Act 2013, if necessary.

**IN WITNESS WHEREOF**, the parties hereto have set their hands on the day, month and the year above written.

**SIGNED AND DELIVERED** by Shri \_\_\_\_\_,  
Independent Director

For and on behalf of **TITAGARH WAGONS LTD.**  
in the presence of Mr. \_\_\_\_\_

**SIGNED AND DELIVERED** by the withinnamed  
**MR. J P CHOWDHARY**  
in the presence of Mr. ....