

# TITAGARH WAGONS LIMITED

## TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTOR

The Board of the Company presently comprises the following Independent Directors:

S. No.	Name of Director	DIN	Tenure of Office
1.	Mr. Manoj Mohanka	00128593	Upto March 31, 2024
2.	Mr. Sunirmal Talukdar	00920608	Upto March 31, 2024
3.	Mr. Atul Joshi	03557435	Upto January 23, 2023
4.	Ms. Nayantara Palchoudhuri	00581440	Upto June 21, 2025
5.	Mr. Krishan Kumar Jalan	01767702	Upto August 12, 2025
6.	Mr. Sushil Kumar Roongta	00309302	Upto December 31, 2025

The broad terms and conditions of appointment of the Independent Directors are appended below.

### 1. Term of Appointment

The independent directors will be appointed for a term of five (5) years from the date of their appointment, unless terminated earlier or extended, as per the provisions of the applicable laws. Independent Directors will not be liable to retire by rotation. Re-appointment for another term of maximum period of five years at the end of the current term shall be based on the recommendation of the Nomination and Remuneration Committee, the outcome of the performance evaluation process and their continuing to meet the independence criteria and subject to the approval of the Board and the shareholders by way of Special Resolution.

Subject to their consent to become a member thereof, the Board may constitute/reconstitute Committees to discharge such duties and exercise powers as may be referred/delegated by the Board from time to time.

### 2. Time Commitment

Considering the nature of the role of a director, it is difficult to lay down specific parameters on time commitment. The Independent Directors agree to devote such time as is prudent and necessary for proper performance of their role, duties and responsibilities as an Independent Director.

### 3. Role, duties and responsibilities

A. The Independent Director as a member of the Board, along with the other Directors will be collectively responsible for meeting the objectives of the Board which inter alia include:

- Requirements stipulated under the applicable provisions of the Companies Act, 2013 ('the Act'),
- Responsibilities of the Board pursuant to various regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR'),
- Accountability under the Directors' Responsibility Statement and
- Contributing to growth of the Company as a responsible entity of the society,

B. The Independent Directors shall abide by the 'Code for Independent Directors' as contained in Schedule IV to the Section 149(8) of the Act and discharge their duties inter alia in accordance with:

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- (i) Section 166 of the Act;
- (ii) Regulation 25 and other applicable provisions of LODR;
- (iii) Code for Prohibition of Insider Trading Regulations; and
- (iv) Policies of the Board adopted from time to time.

### **4. Remuneration**

The Independent Director shall be paid sitting fees for attending the meetings of the Board and the Committees of which they are a member as fixed by the Board from time to time. In addition to the sitting fees, profit related commission may also be payable to you. In determining the amount of this commission, the Nomination and Remuneration Committee may consider various factors as disclosed in the remuneration policy forming part of the Board's report. An indicative list of the factors that may be considered are as follows:

- Attendance at the meetings of Board and Committees,
- Contribution at Board and Committee meetings,
- Guidance and support provided to senior management of the Company outside of Board meetings,
- Industry practices,
- Performance evaluation, and
- Performance of the Company.

Further, the Company may pay or reimburse to the Independent Directors such fair and reasonable expenditure, as may have been incurred by them while performing their role as an Independent Director of the Company subject to applicable articles in the Articles of Association and Rules of the Company/Policies of the Board.

### **5. Separate meetings:**

The independent directors of the Company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management; all the independent directors of the Company shall strive to be present at such meeting as stipulated in the Code for Independent Directors.

### **6. Insurance**

The Company follows a policy of obtaining an appropriate Directors' and Officers' Liability Insurance policy and pay the premium for the same. It is intended to maintain such insurance cover for the Term of appointment of the Independent Director, subject to the terms of such policy in force from time to time. A copy of the policy document will be supplied on request to the Independent Directors.

### **7. Performance Appraisal/ Evaluation Process**

As a member of the Board, their performance as well as the performance of the entire Board and its Committees shall be evaluated annually based on the criteria determined by the Nomination and Remuneration Committee and 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. An indicative list of factors that may be evaluated as part of this exercise is:

- Participation and contribution by a director,
- Commitment (including guidance provided to senior management outside of Board/ Committee meetings),

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- Effective deployment of knowledge and expertise,
- Effective management of relationship with stakeholders,
- Integrity and maintenance of confidentiality,
- Independence of behaviour and judgment, and
- Impact and influence.

### **8. Confidentiality and access to records:**

Independent Directors shall have a right of access to Company's documents and records, including financial records, as per the provisions of the Act; and any confidential information, which may come to their knowledge in the performance of their duties as a director of the Company must not be divulged, except so far as (i) it may be necessary in connection with the proper performance of their duties to the Company; (ii) the Company may, from time to time, authorise them to disclose such information, as may be required by them with the condition that they will take all reasonable precautions, as may be necessary to maintain the secrecy and confidentiality of all confidential information of the Company; (iii) they may be required by law to disclosed.

### **9. Disclosures, other directorships and business interests**

During the Term, the Independent Directors must agree to promptly notify the Company of any change in their directorships and also make disclosures as stipulated by the applicable laws. They also agree that upon becoming aware of any potential conflict of interest with their position as Independent Director of the Company, they shall promptly disclose the same to the Chairman and the Company Secretary.

The Independent Directors must confirm that as on date of this letter, they have no such conflict of interest issues with their existing directorships. They will be required to give a declaration that they meet the criteria of independence every financial year, as provided under Section 149 of the Act in the prescribed format.

### **10. Termination**

The directorship of Independent Directors on the Board of the Company shall cease in accordance with law. Apart from the grounds of termination as specified in the Act, their directorship may be terminated for violation of any provision of the Code of Conduct as applicable to them.

Independent Directors may resign from the directorship of the Company by giving a notice in writing to the Company stating the reasons for resignation and also to the Registrar of Companies (RoC). 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.

If at any stage during the Term, there is a change that may affect their status as an Independent Director as envisaged in Section 149(6) of the Act or they fail to meet the criteria for "independence", they may agree to promptly submit their resignation to the Company with effect from the date of such change.

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