

## TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS OF AZAD ENGINEERING LIMITED

### 1. Term of Appointment

- a. Mr. Deepak Kabra has been appointed as the Independent Director of the Company at the Extra Ordinary General Meeting of the Company held on 28<sup>th</sup> January, 2025 with effect from 3<sup>rd</sup> January, 2025 to hold office for a period of 5 (five) years.
- b. Ms. Madhushree Vemuru has been appointed as the Independent Director of the Company at the Extra Ordinary General Meeting of the Company held on 12<sup>th</sup> September, 2023 with effect from the same date to hold office for a period of 5 (five) years.
- c. Mr. Michael Joseph Booth has been appointed as the Independent Director of the Company at the Extra Ordinary General Meeting of the Company held on 12<sup>th</sup> September, 2023 with effect from the same date to hold office for a period of 5 (five) years. Further, at the Annual General Meeting of the Company held on 30<sup>th</sup> September, 2025 the members by passing special resolution have approved continuation of Mr. Michael Joseph Booth to hold office beyond the age of 75 years.
- d. Mr. Subba Rao Ambati has been appointed as the Independent Director of the Company at the Annual General Meeting of the Company held on 26<sup>th</sup> September, 2023 with effect from 24<sup>th</sup> September, 2023 to hold office for a period of 5 (five) years.
- e. All the Independent Directors are not liable to retire by rotation.

### 2. Duties

- a. The Independent Directors are expected to perform their fiduciary duties in the best interests of the Company and its stakeholders.
- b. Independent Directors shall perform their obligations as required under the Companies Act 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 ("Listing Regulations"), and act in accordance with the Memorandum and Articles of Association of the Company and shall comply

with the Code of Conduct for Directors and Senior Management of the Company.

### **3. Independence**

- a. The Independent Directors shall meet the criteria of Independence as defined in regulation 16(1)(b) of the Listing Regulations.
- b. In compliance with the Companies Act 2013 and Listing Regulations, the Independent Directors shall on annual basis give confirmation that they meet the criteria of Independence to the Board. Further, whenever there is any change which impacts their Independence or change in already disclosed information, the Independent Directors are required to promptly intimate the Board of the same.

### **4. Appointment as members of the Committees of the Board**

- a. During the term of appointment, the Independent Directors may be required to serve as member/ Chairperson on one or more committees constituted/ to be constituted by the Board from time to time.

### **5. Time Commitment**

- a. The Directors are expected to devote enough time to prepare for and to attend the meetings of the Board, Committees and Annual General Meetings and Extraordinary General Meetings of the Company.
- b. The Chairperson of the Audit Committee, Nomination and Remuneration Committee, and Stakeholders Relationship Committee are required to attend the Annual General Meeting of the Company.
- c. All the Independent Directors are required to meet at-least once a year (without the presence of the Non-Independent Directors and management of the Company).

### **6. Training and Development**

- a. The Company will conduct director familiarization sessions, site visits, meetings with Heads of Department of the Company, which the Independent Directors are expected to attend.

- b. The Directors will be updated about regulatory changes, business performances, updates of the Company, Industry Developments, and business strategy through presentations at the meetings of the Board/ Committees and regular communication to the Board.

## **7. Evaluation Process**

- a. The performance of the Directors of the Company will be evaluated annually in accordance with the provisions of the Companies Act 2013 and Listing Regulations. The reappointment of the Independent Directors shall be subject to the outcome of the yearly performance evaluation.

## **8. Remuneration**

- a. The Independent Directors are entitled to sitting fee of up to INR 100,000/- per meeting for attending the meetings of the Board and its Committees. The Board of Directors shall approve the sitting fee payable to the Directors. The Company may pay or reimburse Independent Directors, reasonable expenses incurred by them while performing their roles as Independent Director of the Company, which includes but is not limited to travelling and accommodation expenses and out of pocket expenses for attending the meetings of the Board and Committees, or Annual/ Extraordinary General Meetings or any other meetings of the Company, or site visits, or expenses incurred in furtherance of duties of Independent Directors.
- b. In addition to sitting fee, the Independent Directors may be entitled to commission out of profits of the Company subject to the approval of the shareholders upon the recommendation of the Board of Directors of the Company.

## **9. Confidentiality**

- a. During the tenure as Director, the Directors will be in possession of confidential information of the Company. The Directors shall use the information only for the purposes of performing their duties under the applicable laws and policies of the Company and they shall keep the information confidential. The obligations to maintain confidentiality shall survive the cessation of Directorship and shall remain in force until the information becomes public for no fault of the Director.

## **10. Directors & Officers Liability Insurance**

- a. The Company has in place Directors and Officers Insurance Policy, and it is intended to maintain such cover for the full term of the appointment.

## **11. Governing Law**

- a. The appointment as Independent Director and terms thereunder shall be governed by the Laws of India. The courts of Hyderabad, Telangana shall have jurisdiction over any dispute between the parties.

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