

## **TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS OF COMPANY**

**Date: 25<sup>th</sup> December, 2020**

**Name of Director(s) : Neena Singh**

**DIN No. : 00233352**

**Address : House No. 1601, Sector-36D  
Chandigarh-160036**

### **Subject: Letter of Appointment**

Dear Madam,

We thank you for your confirmation to Winsome Textile Industries Limited (" the Company") that you meet "Independence" criteria as envisaged in Section 149(6) of the Companies Act, 2013 and SEBI (LODR), Regulations, 2015 and also for your consent to hold the office of director in the Company.

Pursuant to your confirmation, we are pleased to confirm that upon the recommendations of Nomination and Remuneration Committee, the Board and the shareholders have approved your re-appointment as an Independent Director on the Board of the Company.

The terms of your re-appointment, as set out in this letter, are subject to the extant provisions of the applicable laws, including Companies Act, 2013 and SEBI (LODR), Regulations, 2015 (as amended from time to time) and Articles of Association of the Company ("AOA").

### **1. Appointment.**

- (i) Your term of re-appointment for five consecutive years commenced with effect from 28<sup>th</sup> September, 2020 upto 27<sup>th</sup> September, 2025.
- (ii) As an Independent Director you shall not be liable to retire by rotation as per Companies Act, 2013.
- (iii) The Board has constituted different Board Committee(s). The Board may reconstitute the composition of any/all Committee(s), from time to time or if so required as per applicable laws, and any such change shall be promptly communicated to you. In such an event you may also be required to serve on other Committee(s) of the Board.

### **2. Status of your appointment**

- (i) 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 meeting of the Board and its Committee(s) as may be decided by the Board.
- (ii) The sitting fees presently paid to the Independent Director(s) is Rs. 20,000/- per meeting of the Board and Rs.10000/- per meeting of the Board's Committee.

- (iii) You will have no entitlement to any bonus during the appointment and no entitlement to participate in any Employee Stock Option Scheme (ESOP) of the Company or any Group Company. Although currently, Company don't have such scheme(s).

### **3. Role/Functions, Duties and Responsibilities**

- A.** As a member of the Board, along with the other Directors, your major role/function, duties and responsibilities will be as hereunder for meeting the objectives of the Board:
  - (i) You shall uphold the ethical standards of integrity and probity and shall act objectively.
  - (ii) 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.
  - (iii) You shall discharge your duties with due and reasonable care, skill & diligence.
  - (iv) You shall not involve yourself in a situation in which you may have a direct or indirect conflict of interest with the interest of the Company.
  - (v) You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.
  - (vi) You shall refrain from any action that could cause loss to your independence.
  - (vii) You shall not assign your office as Director and any assignments so made shall be void.
  - (viii) You shall act in accordance with the Company's Articles of Association as may be amended from time to time.
  - (ix) You shall ensure that the Company's Risk Management plan & Whistle Blower function are functioning properly and report concerns about unethical, illegal or suspected fraud, violation of Company's Code of Conduct.
  - (x) Responsibilities of the Board as outlined in the Corporate Governance requirements as prescribed under SEBI (LODR), Regulations, 2015.
  - (xi) Accountability under Director's Responsibility Statement.
  - (xii) To review the Company's Strategy, Annual financial plan and monitor's the Company performance.
  - (xiii) Overseeing the maintenance of high standards of Winsome Textile Industries Limited values and ethical conduct of business.
  - (xiv) You should evaluate the performance of the management in meeting agreed goals and objectives.
  - (xv) You should strive to attend every Board Meeting and committee meeting, in which you are a Chairman or a member.
  - (xvi) You should keep yourself updated about the Company and external environment in which it operates.
- B.** You shall abide by the 'Code for Independent Director' as outlined in Scheduled IV of the Companies Act, 2013, and duties of directors as provided in the Companies Act, 2013 and in SEBI (LODR), Regulations, 2015.

### **4. Time Commitment**

As a Non-Executive Independent Director you are expected to bring objectivity and independent view to the Board's discussion, decision making and to provide help/support to the Board with effective leadership in relation to the Company's strategy, performance and risk management as well as ensuring high standards of financial probity financial reporting and corporate governance. The Board generally meets four times in a year. Besides, there are other Committee meetings like Audit

Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee, which are convened as per applicable statutory requirements.

You shall be expected to devote your valuable time to Board and Board Committee(s) in which you are member, appropriate to your skills, capabilities etc. Ordinarily, all meetings are held at corporate office of the Company at Chandigarh except the Annual General Meeting.

By accepting this appointment, you confirm that you are able to allocate sufficient time to meet the expectation from your role to the satisfaction of the Board.

## **5. Remuneration & Reimbursement of Expenses**

As an Independent Director you shall be paid fees for attending the meetings of the Board of Directors and the Committee(s) of which you are a member. The sitting fees presently paid to the Independent Director(s) is Rs. 20,000/- per meeting of the Board and Rs.10000/- per meeting of the Board's Committee.

In addition to the remuneration mentioned above, the Company will, for the period of your appointment, reimburse you for travel, hotel and other incidental expenses incurred by you in attending Board and/or Committee(s) Meetings.

## **6. Code of Conduct**

As an Independent Director of the Company, you agree to comply with the Code of Conduct of Winsome Textile Industries Limited.

We would also like to draw your attention to the applicability of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 regarding prohibiting, disclosure or use of unpublished price sensitive information. Consequently you should avoid making any statement(s) or performing any transaction(s) that might risk a breach of these requirement(s) without prior clearance from the Chairman or the Company Secretary. Additionally, you shall not participate in any business activity which might impede the application of your independent judgment in the best interest of the Company.

## **7. Insurance**

Presently, Company doesn't have any Directors' and Officers' (D & O policy) liability insurance policy, however, if in future Company opt for such insurance policy, it shall be the endeavor of the Company to cover you for the full term of your appointment.

## **8. Confidentiality**

All information acquired during your appointment is confidential to the Company and should not be released, either during your appointment or following termination (by whatever means) to third parties without prior clearance from the Chairman unless required by law or by the rules of any stock exchange or regulatory body.

## **9. Training & Development**

The Company may, if so required, may conduct formal induction program, appropriate trainings programs, management workshops for its Directors, to upgrade the skills of Board Members and to build working relationship among the Board Members.

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

As a member of the Board, your performance as well as the performance of the entire Board and its Committee(s) shall be evaluated annually. Evaluation of each director shall be done by all the other directors. The criteria for evaluation shall be determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated as part of this exercise may be participation and contribution by a Director, Commitment (include guidance provided to senior management outside of Board / Committee Meetings), 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 influences.

#### **11. Disclosures, other directorships and Business Interest**

During the Term, you agree to promptly notify the Company of any change in your directorships and provide such other disclosure and information as may be required under the applicable laws. You also agree that upon becoming aware of any potential conflict of interest with your position as an Independent Director of the Company, you shall promptly disclose the same to the Chairman and the Company Secretary.

During your Term, you agree to promptly provide a declaration under the provision of Section 149 of the Companies Act, 2013 upon any change in circumstances which may affect your status as an Independent Director.

#### **12. Changes of personal details**

During the Term, you shall promptly intimate to the Company Secretary and the Registrar of the Companies in the manner prescribed under Companies Act, 2013 as per applicable law for the time being in force of any change(s) in address or other contact and personal details provided to the Company.

#### **13. Termination**

You may resign from your position at any time and if you wish to do so, you are requested to serve a reasonable written notice on the Board stating the reasons for resignation. In terms of provisions of the Companies Act, 2013, you may also file a copy of your resignation letter to the Registrar of Companies (ROC) Himachal Pradesh (H.P.).

Your appointment may also be terminated in accordance with the provisions of the Articles of Association as amended from time to time of the Company.

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.

#### **General**

This letter is governed by and will be interpreted in accordance with Indian Laws and your engagement shall be subject to the jurisdiction of the courts at Chandigarh only.

If you are willing to accept these terms of appointment relating to your re-appointment as a Non-

Executive Independent Director of the Company, Kindly confirm your acceptance of these terms by signing and returning to us the enclosed copy of this letter.

Yours sincerely

**For and on behalf of Winsome Textile Industries Limited**

**sd/-  
(Ashish Bagrodia)  
Chairman & Managing Director**

I have read and agree to the above terms regarding my appointment as an Independent Director of Winsome Textile Industries Ltd.

**sd/-  
(Neena Singh)  
DIN-00233352**