

To,

\_\_\_\_\_

**Sub: Appointment of Independent Director**

Dear Sir/Madam,

We are pleased to inform you that the Board of Eureka Forbes Limited (formerly Forbes Enviro Solutions Limited) has in its meeting held on \_\_\_\_\_ passed a resolution for your appointment as an Independent Director of the Company pursuant to the provisions of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (SEBI LODR).

The appointment shall be for the term of upto 5 consecutive years w.e.f. \_\_\_\_\_. As an Independent Director you will not be liable to retire by rotation once your appointment is confirmed by the members of the company in Annual General Meeting.

This letter sets out the terms of your appointment as an Independent Director which are as follows:

**1. Appointment:**

- a) You are appointed as an Independent Director on the Board of Directors of Eureka Forbes Limited (formerly Forbes Enviro Solutions Limited) with effect from \_\_\_\_\_. Your appointment is subject to the maximum permissible Directorships that you may hold as per the provisions of the Companies Act, SEBI (LODR) Regulations and other applicable provisions as amended from time to time.
- b) The term Independent Director should be construed as per the definition set out in the Companies Act, SEBI (LODR) Regulations and other applicable provisions as amended from time to time.
- c) The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which is consistent with the provisions of the Companies Act and SEBI (LODR) Regulations. Accordingly, Independent Director will serve for not more than two terms of five consecutive years each on the Board of the Company. The Company is at liberty to disengage an Independent Director prior to the aforesaid terms subject to strict compliance of the relevant provisions of the Companies Act and SEBI (LODR) Regulations.
- d) Reappointment shall be based on the recommendation of the Nomination

and Remuneration Committee and subject to the approval of the Board and the shareholders. The reappointment would be considered by the Board based on factors including but not restricted to the outcome of the performance evaluation process and continuance of fulfillment of the independence criteria.

- e) As an Independent Director, you will not be liable to retire by rotation.

## 2. Committees

The Board of Directors (“the Board”) may, if it deems fit, invite you to become a member on one or more existing Board Committees or any other committee that may be set up in the future. Your appointment on such committee(s) will be subject to the applicable regulations.

## 3. Roles and Duties

- a) Comply with the Companies Act and the rules framed thereunder, including any statutory modification or amendment thereof and provisions of the SEBI LODR as amended from time to time as applicable to you as Independent Director.
- b) Understand and carry out diligently, your roles & functions and duties as provided and outlined in Schedule IV of the Act and duties of directors as provided in Section 166 of the Act and requirements of SEBI LODR.
- c) Adhere to the Code of Conduct for Non-Executive Directors as laid down by the Board and confirm adherence of the same on an annual basis.
- d) Act diligently and in good faith for the interest of the Company.
- e) You will apply the highest standards of confidentiality and not disclose to any person or company (whether during the course of the tenure as Independent Director or at any time after its cessation) any confidential information concerning the company including any subsidiary or associate thereof with which you come into contact by virtue of your position as Independent Director, except as permitted by law or with prior clearance from the Chairman of the Board.
- f) You should not make any statements that might risk breach of the requirements specified under the said statute unless the same is required under the law or the same is required for the purpose of compliance of any direction, order etc. issued/given by any judicial authority.
- g) In addition to the above requirements applicable to all Directors, the role of the Independent Director has the following key elements:
  - i. **Strategy:** Independent Directors should constructively challenge and help develop proposals on strategy.

- ii. **Performance:** Independent Directors should scrutinize the performance of management in meetings, agreed goals and objectives.
- iii. **Risk:** Independent Directors should satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are robust and defensible.
- iv. **People:** Independent Directors are responsible for determining appropriate levels of remuneration for Executive Directors and have a prime role in appointing, and where necessary removing, Executive Directors, and in succession planning.
- v. **Reporting:** Independent Directors take responsibility for the processes for accurately reporting on performance and the financial position of the Company.
- vi. **Compliance:** Independent Directors should keep governance and compliance with applicable legislation and regulations under review and conformity of the Company practices and accepted norms.

As an Independent Director you are expected to bring objectivity and independence of view to all the Board's discussions and to help provide 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 and corporate governance. You will be expected to attend Board, Board Committees Meetings to which you are appointed and Shareholders meeting and to devote such time to your duties, as appropriate for you to discharge your duties effectively.

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

#### 4. **Status of Appointment & Remuneration**

- a) You will not be an employee of the Company and this letter shall not, and does not, constitute a contract of employment. You will be paid such remuneration by way of sitting fees for the meetings of the Board and its committees as may be decided by the Board and subject to members' approval, if any.
- b) In addition to above remuneration, you shall be paid commission out of the profit of the Company or such other remuneration as may be approved by Board from time to time and subject to members' approval, if any.

- c) The proposed remuneration payable for FY 2022-23 is as per Annexure – A. This remuneration shall continue unless revised remuneration for subsequent years is approved by the board and/or members of the Company.
- d) In addition to the remuneration described above, the Company will, for the period of your appointment, reimburse you for travel, hotel and other incidental expenses incurred by you in the performance of your role and duties.

**5. Directors and Officers (D and O) insurance**

The Directors and Officers of the Company are covered by D and O liability insurance.

**6. Induction and Development**

The Company shall support Directors to continually update their skills and knowledge and improve their familiarity with the Company and its business. The Company may arrange for training on all matters which are common to the whole Board.

**7. Performance Appraisal/Evaluation Process**

The Board of Directors will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors on an annual basis. The evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board and the Committee.

**8. Disclosures, other Directorships and Business Interests**

During the term you agree to promptly notify the Company of any changes in your Directorships and provide such other disclosures and information as may be required under applicable laws. You also agree that upon becoming aware of any potential conflict of interest with your position as Independent Director of the Company, you shall promptly disclose the same to the Company.

During the term, you agree to promptly provide a declaration under Section 149(6) of the Companies Act and Regulation 16(1)(b) of the SEBI (LODR) Regulations and other applicable provisions as amended from time to time, upon any change in circumstances which may affect your status as an Independent Director.

In the event that your circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead the Board to revise its judgement that you are independent, this should be disclosed to both the

Chairman and the Secretary.

**9. Termination**

Your directorship on the Board of the Company shall terminate or cease in accordance with this letter of appointment and/or under law. Apart from the grounds of termination as specified in the Act and SEBI (LODR) Regulations and other applicable provisions as amended from time to time, your Directorship may be terminated for violation by you of any provision of the Code of Conduct of the Company.

You 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 you in the notice, whichever is later.

If at any stage during your term as a director, there is any change that may affect your status as an Independent Director as envisaged in Section 149(6) of the Companies Act and Regulation 16(1)(b) of the SEBI (LODR) Regulations and other applicable provisions as amended from time to time, you agree to promptly submit your resignation to the Company with effect from the date of such change.

**10. Acceptance of Appointment**

We are confident that the Board and the Company will benefit immensely from your rich experience and we are eager to have you as an integral part of the growth of our Company. If you are willing to accept these terms relating to your appointment as an 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 Eureka Forbes Limited**  
*(formerly Forbes Enviro Solutions Limited)*

\_\_\_\_\_  
**Chairman**

**Dated this \_\_\_ day of \_\_\_, \_\_\_\_\_ at Mumbai**

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**AGREE AND ACCEPT:**

I have read and understood the terms of my appointment as an Independent Director of the Company and I hereby affirm my acceptance to the same.

**Signature:**

**Name:** \_\_\_\_\_

**DIN:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**Place:** \_\_\_\_\_

**Annexure – 1**

**Remuneration to the Board of Directors for the Financial Year 2022-23**

<b>Particulars</b>	<b>Amount in INR</b>
Sitting fees:	
per board meeting	40,000
per committee meeting	5,000
Fixed Annual Commission	27,00,000

The above remuneration shall be subject to the following terms and conditions:

- a. The members of CSR Committee shall not draw any sitting fees;
- b. The sitting fees and fixed commission shall be on a financial year basis and the fixed commission shall be approved along with audited annual financial statements;
- c. If the Commission to MD & CEO and/or Fixed Commission as above exceeds the permissible limits under applicable laws, the same shall be subject to shareholders' approval, as the case may be;
- d. If a person holds office of director for part of the financial year, Fixed Commission shall be computed proportionately; and
- e. Sitting fees for board & committee meetings shall be paid as and when meetings are held and no additional sitting fees shall be paid for adjourned meetings.