

DEVKI LEASING AND FINANCE LIMITED

TERMS AND CONDITIONS OF APPOINTMENT OF THE INDEPENDENT DIRECTORS

The broad terms and conditions of appointment as Independent Directors of the Company are reproduced hereunder:

1. Appointment

1.1 The appointment of Independent Directors shall be subject to the provisions Section 149 and 152 and other applicable provisions of the Companies Act, 2013 (“Act”) read with Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 {hereinafter referred as “SEBI (LODR) Regulations 2015”} as amended and the Companies(Appointment and Qualification of Directors) Rules, 2014.

1.2 The Independent Director will not be liable to retire by rotation.

2. Committees

The Board of Directors (“the Board”) may, if it deems fit, invite the Independent Director for being appointed on one or more existing Board Committees or any such Committee that is set up in the future. The Independent Director’s appointment on such Committee(s) will be subject to the applicable regulations.

3. Time Commitment

By accepting the appointment, Independent Director confirms that he/she is able to devote sufficient time as prudent and necessary for the proper performance of their role, duties and responsibilities as an Independent Director.

4. Role and Duties

The role and duties will be those normally required of a Non-Executive Independent Director under the Companies Act, 2013 and the SEBI (LODR) Regulations 2015. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and are as under:

- i. They shall act in accordance with the Company's Articles of Association.
- ii. They 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. They shall discharge your duties with due and reasonable care, skill and diligence.
- iv. They shall not involve yourself in a situation in which you may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- v. They shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.

In addition to the above requirements applicable to all Directors, the role of the Non-Executive Director has the following key elements;

Strategy: Non-Executive Directors should constructively challenge and help in improving proposals on short-term and long-term strategy;

Performance: Non-Executive Directors should scrutinize the performance of management in meeting agreed goals and objectives;

Risk: Non-Executive Directors should satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are robust and defensible;

People: Non-Executive Directors are responsible for determining appropriate levels of remuneration of Executive Directors and have a prime role in appointing, and where necessary, removing Executive Directors and in succession planning;

Reporting: Non-Executive Directors take responsibility for the processes for accurately reporting on performance and the financial position of the Company; and

Compliance: Non-Executive Directors should keep governance and compliance with the applicable legislation and regulations under review and the conformity of the Company practices to accepted norms.

5. Remuneration

The Independent Director will be paid such remuneration by way of sitting fees for meetings of the Board and its Committees as may be decided by the Board from time to time and in accordance with the provision of the Companies Act, 2013.

6. Conflict of Interest

6.1 It is accepted and acknowledged that the Independent Directors may have business interests other than those of the Company. The Independent Directors are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of appointment.

6.2 In the event that the 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 judgment that the Independent Director are independent, this should be disclosed to both the Chairman and the Secretary.

7. Performance Appraisal / Evaluation Process

As members of the Board, their performance as well as the performance of the entire Board and its Committees will be evaluated annually. Evaluation of each director shall be done by all the other directors excluding the directors being evaluated. The criteria for evaluation shall be 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.

8. Confidentiality

All information acquired during the appointment is confidential to Shree Pacetronix Limited and should not be released, either during 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. On reasonable request, the Independent Directors shall surrender any documents and other materials made available to them by Shree Pacetronix Limited.

9. Disclosure of Interest

The Company must include in its Annual Accounts a note of any material interest that a Director may have in any transaction or arrangement that the Company has entered into. Such interest should be disclosed not later than when the transaction or arrangement comes up at a Board meeting so that the minutes may record the Independent Director's interest appropriately and our records are updated. A general notice that the Independent Directors are interested in any contracts with a particular person, firm or company is acceptable.

10. Code of conduct

The Independent Directors are required to comply with the code of conduct adopted by the Board of Directors and to comply with Schedule IV of the Companies Act, 2013 and applicable clauses of the (LODR) Regulations 2015, SEBI rules and Regulations for

prohibition of Insider trading and other related issues from time to time.

11. Termination

- a. The Independent Director may resign from the position at any time and should they wish to do so, they are requested to serve as on able written notice to the Board.
- b. Appointment of Independent Directors may also be terminated in accordance with the provisions of the Articles of Association of the company and in accordance with the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and other applicable regulations.
- c. If at any stage during the Term, there is a change that may affect status of an Independent Director as envisaged in Section 149(6) of the Act, or if applicable, the Independent Director fail to meet the criteria for “independence” under the provisions of Regulation 17 of the LODR, he/she shall agree to promptly submit his/her resignation to the Company with effect from the date of such change.

12. Governing Law

This agreement is governed by and will be interpreted in accordance with Indian law and Independent Director’s engagement shall be subject to the jurisdiction of the Indian courts.