



LAXMI ORGANIC INDUSTRIES LTD

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS OF THE COMPANY AS REQUIRED UNDER SCHEDULE IV TO THE COMPANIES ACT, 2013 AND THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

A. TERM:

Independent Director Name	Appointed at	Term	Tenure	Tenure End
Ms. Sangeeta Singh (DIN 06920906)	33 rd Annual General Meeting held on July 29, 2022	2 nd	5 years	Till the conclusion of the 38 th AGM in FY 2027-28.
Dr. Rajeev Vaidya (DIN 05208166)	Postal Ballot Resolution dated December 6, 2025	2 nd	3 years	November 24, 2028
Dr. Rajiv Banavali (DIN 09128266)	32 nd Annual General Meeting held on July 26, 2021	1 st	5 years	May 17, 2026
Mr. Arun Todarwal (DIN 00020916)	Postal Ballot Resolution dated April 17, 2024	1 st	3 years	March 31, 2027
Mr. Vijay Ratnaparkhe (DIN 03211521)	35 th Annual General Meeting held on July 30, 2024	1 st	3 years	June 30, 2027

B. OTHER TERMS:

1. BOARD COMMITTEES:

As may be advised by the Board from time to time, during the tenure of office, the Independent Director may be required to serve on one or more of the Committees of the Board established by the Company.

2. TRAINING OF THE BOARD:

Every Independent Director of the Board is required to attend an induction/orientation program. The induction/orientation program will provide an opportunity to interact with the senior leadership of the Company and helps the inductee to understand the Company's strategy, operations, product offerings, market, organization structure and other facilities.

3. PROFESSIONAL CONDUCT:

An Independent Director shall:

- a. uphold ethical standards of integrity and probity;
- b. act objectively and constructively while exercising duties;
- c. exercise responsibilities in a *bona fide* manner in the interest of the Company;



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- d. devote sufficient time and attention to professional obligations for informed and balanced decision making;
- e. not allow any extraneous considerations that will vitiate exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- f. not abuse position to the detriment of the Company or its Shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- g. refrain from any action that would lead to loss of independence;
- h. where circumstances arise which make Independent Director lose his/her independence, immediately inform the Board accordingly;
- i. assist the Company in implementing the best corporate governance practices.

4. ROLE & FUNCTION:

An Independent Director shall:

- a. help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- b. bring an objective view in the evaluation of the performance of board and management;
- c. scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- d. satisfy himself/herself on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- e. safeguard the interests of all stakeholders, particularly the minority shareholders;
- f. balance the conflicting interest of the stakeholders;
- g. determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- h. moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.

5. DUTIES AND EXPECTATIONS:

An independent Director shall:

- a. undertake appropriate induction and regularly update and refresh skills, knowledge and familiarity with the Company;



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- b. seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company;
- c. strive to attend all meetings of the Board of Directors and of the Board committees of which Independent Director is a member;
- d. participate constructively and actively in the committees of the Board in which Independent Director are chairpersons or members;
- e. strive to attend the general meetings of the Company;
- f. where Independent Director have concerns about the running of the Company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that the concerns are recorded in the minutes of the Board meeting;
- g. keep well informed about the Company and the external environment in which it operates;
- h. not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- i. pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure that the same are in the interest of the Company;
- j. ascertain and ensure that the Company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- k. report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
- l. acting within your authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
- m. not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.
- n. attend two days annual retreat program of the Company.

6. REMUNERATION:

The shareholders have approved the payment of Commission to the entire group of Non-executive and Independent Directors not exceeding 1% of the net profit of the Company to be calculated as per the provisions of the Act. The compensation for each Non-executive and for each Independent Director will be determined by the Board after considering the profitability of the Company every year. In addition to the above Commission, an Independent Director will receive a sitting fee and conveyance charges, as may be decided by the Board from time to time, for attending every meeting of the Board as well as of the Committee of the Board.



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In addition to the remuneration, you shall be also covered with an appropriate insurance coverage amount under the Directors and Officers Liability insurance policy of the Company.

7. MEMBERSHIPS OF THE OTHER BOARD:

Except serving the Board of the competing Company, there are no other additional restrictions on you to serve the Board of other Companies.

8. INDEPENDENT DIRECTOR'S DISCUSSION:

Pursuant to the provisions of Schedule IV of the Act, a separate meeting of Independent Directors will be conducted twice in a year, where the non-independent Members of the Board will not participate. This meeting will enable the Independent Directors to have full and frank discussion on the performance of the Company, risk faced by the Company and the performance of the executive members of the Board including the Chairman of the Board. The Chairman, Executive Directors and Senior Managerial Personnel of the Company may be invited in the meeting if required and solely upon the unanimous discretion of the Independent Directors.

9. PERFORMANCE EVALUATION OF INDEPENDENT DIRECTOR:

The performance evaluation of independent directors will be done by the entire Board of Directors, excluding the director being evaluated. On the basis of the report of performance evaluation, it will be determined whether to extend or continue the term of appointment of the Independent Director.

10. CODE OF CONDUCT AND POLICIES:

Independent Director is required to comply with the Code of Conduct & various other policies as may be approved by the Board from time to time to comply with requirements of the Companies Act or SEBI regulations. The copy of all the policies as approved by the Board of Directors is enclosed to this letter for your information.

11. CONFIDENTIALITY:

The Independent Director shall during and after the term of Appointment, ensure not to use for his/her own, or for another's benefit, or disclose or permit the disclosure of any confidential information relating to the Company, subsidiary or any group or associate companies of the Company, which he/she may acquire by virtue of his/her position as an independent director, including without limitation, any information about the deliberations of the Board. The restriction shall cease to apply to any confidential information which may (other than by reason of the director's breach of this term), become available to the public generally.
