



1st April, 2022

Mr. Arun Chandra Verma
C-1204 D Tower C,
Amrapali Patel Platinum Complex,
Near Parthala Khanjarpur Police OP,
Sector 119, Noida
Uttar Pradesh - 201301

Dear Sir,

Sub: Appointment as an Independent Director of Shree Renuka Sugars Limited

We are pleased to inform you that upon the recommendation of Nomination and Remuneration/Compensation Committee', the Board of Directors of Shree Renuka Sugars Limited (hereinafter referred to as "SRSL"/"the Company") has appointed you as an **Additional Director (Non-Executive and Independent)** on the Board of Directors ("the Board") of the Company with effect from 1st April 2022. This letter of appointment sets out the terms and conditions of your appointment, which are as follows:

1. Appointment :

- 1.1 You have been appointed as an Additional Director (Non-Executive and Independent) on the Board of the Company with effect from 1st April, 2022 till ensuing General Meeting and further for a period of five years, subject to the approval of the shareholders of the Company. Your appointment shall be governed by the provisions of the Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time and other applicable provisions.
- 1.2 In compliance with the provisions of Section 149(13) of the Companies Act, 2013, your directorship is not subject to retirement by rotation.
- 1.3 You will not be considered to be an employee of the Company and your letter of appointment does not constitute a contract of employment with the Company.

2. Time Commitment:

- 2.1 As an Independent Director, you are expected to bring objectivity and independence of view to 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.

Shree Renuka Sugars Limited

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Registered Office: 2nd / 3rd Floor, Kanakshree Arcade, CTS No. 10634, JNMC Road, Nehru Nagar, Po: Belagavi- 590 010 • Karnataka • India

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- 2.2 The Board is normally required to meet 4 (four) times in a calendar year with a time gap of not more than 120 days between two meetings and it may otherwise meet as required. You are expected to devote such time to your duties, as appropriate for discharge of your duties effectively. In addition, all the independent directors of the Company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of the management and all the independent directors shall strive to be present at such meeting.
- 2.3 By accepting the appointment, you confirm that you are able to allocate sufficient time to meet the expectations from your role to the satisfaction of the Board.

3. Expectations, Roles, Functions and Duties :

- 3.1 You are expected to observe and comply with applicable laws, the charter document of the Company (attached herewith) and the rules, regulations and following policies of the Company, in relation to your directorship and the business of the Company
- Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting Trading by Insiders (<https://renukasugars.com/pdf/corporate-governance/srsl-pit-code-of-conduct.pdf>)
 - Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (<https://renukasugars.com/pdf/corporate-governance/code-of-fair-diclosure-web-site.pdf>)
 - Code of Business Conduct and Ethics for Board of Directors and Senior Management (<https://renukasugars.com/pdf/code-of-business-conduct-and-ethics.pdf>)
 - Terms and Conditions of appointment of Independent Directors (<https://renukasugars.com/pdf/corporate-governance/terms-and-conditions-of-appointment-of-independent-directors.pdf>)
- 3.2 The role, functions and duties of independent directors will be as provided under the applicable laws, including the Act and in conformity with Section 149(8) read with Schedule IV of the Act and relevant provisions of the Listing Regulations, including in relation to attendance of meetings, maintenance of confidentiality, safeguarding the interests of the stakeholders, bringing objective judgement, asking clarifications, etc.
- 3.3 In addition, your conduct will be governed by applicable laws, including the guidelines for professional conduct set out under the 'Code of Independent Directors', as provided in Section 149(8) read with Schedule IV of the Act, the duties of directors as set out under Section 166 of the Act and the duties and responsibilities as set out under the Listing Regulations. For your ready reference, the some provisions under the Act have been extracted and attached to this letter as Annexure.
- 3.4 Further, attention is drawn to the requirements under both law and regulation regarding the disclosure of unpublished price sensitive information, and in particular to the Rules, Regulations and Guidelines issued by the Securities & Exchange Board of India, the Stock Exchanges, Code of Business Conduct and Ethics for Directors and Senior Management Personnel (<https://renukasugars.com/pdf/code-of-business-conduct-and-ethics.pdf>) and the Code of Conduct for Prohibition of Insider Trading (<https://renukasugars.com/pdf/corporate-governance/srsl-pit-code-of-conduct.pdf>). You should avoid

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making any statements that might risk a breach of these requirements. If in doubt, you may please contact the Company Secretary for any guidance in this behalf. The Code of Conduct is available on the website of the Company at the following address.

4. Remuneration :

- 4.1 You will be paid such remuneration by way of sitting fees for attending meetings of the Board, and of the Committees of the Board (in case you are appointed as member of any Committee) as may be decided by the Board from time to time in compliance with applicable law. The remuneration shall be subject to applicable taxes and the Company may withhold there from any amounts as are required to be withheld pursuant to applicable law. Any tax liability arising in respect of payments made pursuant to remuneration to independent directors shall be borne solely by independent directors.
- 4.2 The sitting fees presently paid to a Independent Director is Rs. 50,000/- (Rupees Fifty Thousand only) per Board meeting attended and Rs. 25,000/- for meetings of the Committees thereof.

5. Disclosure of Interest :

- 5.1 During the term of appointment, you agree to promptly notify the Company of any change in your directorships, and provide such other disclosures and other information as may be prescribed under the Companies Act, 2013 and the rules made thereunder and as required under the Listing Regulations.
- 5.2 Further, any material interest that you may have in any transaction or arrangement that the Company has entered into should be disclosed not later than, when the transaction or arrangement comes up at the Board meeting, so that the Company may record your interest appropriately. Further, you are required to give a general notice of Interests as per the format prescribed under the Companies Act, 2013 and the rules made thereunder in the first Board Meeting of each Financial Year.
- 5.3 During your term as an Independent Director, you are required to give a declaration that you meet the criteria of independence prescribed under Section 149(6) of the Act and Regulation 25 of SEBI Listing Regulations, every financial year as provided therein.

6. Conflict of Interest :

It is accepted and acknowledged that you may have business interests other than those of the Company. As a condition precedent to commencement of the appointment, you are required to disclose to the Company any such directorships, appointments and interests to the Board. Thereafter, you are required to disclose to the Company whenever there is any change in the circumstances which may affect your status as an Independent Director.

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7. **Code of Conduct :**

During your tenure as an Independent Director, you shall be required to comply with the provisions as contained in Schedule IV under the Act and also with the Code of Conduct for the Members of the Board of Directors and Senior Management and Code of Conduct for Securities and Exchange of India (Prohibition of Insider Trading) Regulations, 2015 (as amended or replaced from time to time).

8. **Evaluation :**

The performance of Independent Directors shall be evaluated by the entire Board of Directors, excluding the Director being evaluated. On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of your appointment as an Independent Director.

9. **Confidentiality :**

All information acquired by you during your tenure as Director of the Company is to be treated as confidential and should not be released, either during your tenure or following termination (by whatever means), to third parties without prior clearance from the Executive Chairman of the Company, unless such disclosure be required by any governmental, statutory and regulatory authority established under the laws for the time being in force.

10. **Other Terms and Conditions :**

10.1 **Termination**

You may resign from your position at any time by serving a reasonable written notice on the Board stating out the reason for resignation. Further, your appointment as an Independent Director may be terminated from the date on which the notice is received by the company or the date, if any, specified by the director in the notice, whichever is later. You will not be entitled to compensation in case the shareholders of the Company do not re-appoint you at any time.

10.2 Your appointment is also subject to the maximum permissible directorships that one can hold under Section 165 of the Companies Act read with Regulation 17A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

10.1 You will be invited to attend ongoing training and familiarization sessions, including briefings from management and site visits.

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11. 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 these terms of appointment are acceptable to you, please confirm your acceptance by signing and returning a copy of this letter.

Yours sincerely,

For and on behalf of
For **Shree Renuka Sugars Limited**

sd/-

Atul Chaturvedi
Executive Chairman
DIN: 00175355

I AGREE AND ACCEPT :

I have read and understood the above terms and conditions relating to my appointment as an Additional Director (Independent) of the Company and I hereby affirm my acceptance to the same.

sd/-

Arun Chandra Verma
Additional Director (Non-Executive and Independent)
DIN: 02683483

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ANNEXURE

SCHEDULE IV
[See section 149(8)]

CODE FOR INDEPENDENT DIRECTORS

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfillment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of independent directors.

I. Guidelines of professional conduct:

An independent director shall:

- (1) uphold ethical standards of integrity and probity;
- (2) act objectively and constructively while exercising his duties;
- (3) exercise his responsibilities in a bona fide manner in the interest of the company;
- (4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- (5) not allow any extraneous considerations that will vitiate his 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;
- (6) not abuse his 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;
- (7) refrain from any action that would lead to loss of his independence;
- (8) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- (9) assist the company in implementing the best corporate governance practices.

II. Role and functions:

The independent directors shall:

- (1) 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;
- (2) bring an objective view in the evaluation of the performance of board and management;
- (3) scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- (4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- (5) safeguard the interests of all stakeholders, particularly the minority shareholders;
- (6) balance the conflicting interest of the stakeholders;

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- (7) 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;
- (8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

III. Duties :

The independent directors shall –

- (1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- (2) 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;
- (3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- (4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (5) strive to attend the general meetings of the company;
- (6) where they 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 their concerns are recorded in the minutes of the Board meeting;
- (7) keep themselves well informed about the company and the external environment in which it operates;
- (8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- (9) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;
- (10) 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;
- (11) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- (12) acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- (13) 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.

IV. Manner of appointment:

- (1) Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.

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- (2) The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.
- (3) The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfils the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.
- (4) The appointment of independent directors shall be formalised through a letter of appointment, which shall set out:
 - (a) the term of appointment;
 - (b) the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;
 - (c) the fiduciary duties that come with such an appointment along with accompanying liabilities;
 - (d) provision for Directors and Officers (D and O) insurance, if any;
 - (e) the Code of Business Ethics that the company expects its directors and employees to follow;
 - (f) the list of actions that a director should not do while functioning as such in the company; and
 - (g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.
- (5) The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the company by any member during normal business hours.
- (6) The terms and conditions of appointment of independent directors shall also be posted on the company's website.

V. Re-appointment:

The re-appointment of independent director shall be on the basis of report of performance evaluation.

VI. Resignation or removal:

- (1) The resignation or removal of an independent director shall be in the same manner as is provided in sections 168 and 169 of the Act.
- (2) An independent director who resigns or is removed from the Board of the company shall be replaced by a new independent director within a period of not more than one hundred eighty days from the date of such resignation or removal, as the case may be.
- (3) Where the company fulfils the requirement of independent directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

VII. Separate meetings:

- (1) The independent directors of the company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management;
- (2) All the independent directors of the company shall strive to be present at such meeting;

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- (3) The meeting shall:
 - (a) review the performance of non-independent directors and the Board as a whole;
 - (b) review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
 - (c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

VIII. Evaluation mechanism:

- (1) The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.
- (2) On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

Section 166 of the Companies Act, 2013 – Duties of Directors

- (1) Subject to the provisions of this Act, a director of a company shall act in accordance with the articles of the company;
- (2) A director of a company 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 interests of the company, its employees, the shareholders, the community and for the protection of environment;
- (3) A director of a company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment;
- (4) A director of a company shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company;
- (5) A director of a company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company;
- (6) A director of a company shall not assign his office and any assignment so made shall be void; and
- (7) If a director of the company contravenes the provisions of this section such director shall be punishable with fine which shall not be less than one lakh rupees but which may extend to five lakh rupees.

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