



**GOPAL SNACKS LIMITED**

**TERMS AND CONDITIONS FOR APPOINTMENT OF**  
**INDEPENDENT DIRECTORS**

## 1. PREFACE

- 1.1. Gopal Snacks Limited (“**Company**”) is a public limited company. The Company is in the business of Namkeen, Wafers, Fryums, Papad, Besan, Bakery products & Spices and snacks items or any other products (“**Products**”) marketed, distributed, and sold by the Company under the various brands owned by the Company.
- 1.2. The terms and conditions of the appointment of Independent Directors (“**Policy**”) has been formulated by the management of the Company in consultation with relevant stakeholders. It was approved by the Board at the Board Meeting held on May 05, 2023 and is in line with the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 149 of the Companies Act, 2013.

## 2. APPOINTMENT

- 2.1 The appointment as Non-Executive Independent Directors (“**Independent Directors**”) shall be in accordance with the provisions applicable from time to time under the Companies Act, 2013.
- 2.2 Appointment will be for a term of five years from the date of appointment unless terminated earlier or extended, as per the provisions of this Policy or Applicable Laws (“**Term**”). As an Independent Director he will not be liable to retire by rotation.
- 2.3 Re-appointment for another term of maximum period of five years at the end of the current term shall be based on the recommendation of the nomination and remuneration committee, formed by the Board and subject to the approval of the Board and the shareholders by way of Special Resolution. The reappointment of the Independent Director would be considered by the Board based on the outcome of the performance evaluation process and continued commitment to meet the independence criteria.
- 2.4 During the Appointment, the Independent Director may be required to serve on one or more of the committees of the Board, as the Board may decide.

## 3. DEFINITIONS

- 3.1 “**Act**” shall mean the Companies Act 2013 and the rules made thereunder, including any modifications, amendments or re-enactments thereof.
- 3.2 “**Applicable Laws**” shall mean the Companies Act, 2013 and the rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended from time to time.
- 3.3 “**Board**” or “**Board of Directors**” shall mean all the members of the Board of Directors of the Company.
- 3.4 “**Company**” shall mean Gopal Snacks Limited.
- 3.5 “**Code**” shall mean the Code of Conduct for Director and Senior Managerial Personnel as adopted by the Board.

- 3.6 “Independent Director” shall have the same meaning as described in Section 149 (6) of the Companies Act, 2013 together with the rules notified thereunder.
- 3.7 “SEBI Listing Regulations” shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 together with the circulars issued thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force.

#### **4. ROLE, DUTIES AND RESPONSIBILITIES**

- 4.1. In addition to the role, duties and responsibilities as stated under the Applicable Laws, the Independent Director shall comply with the role, duties and functions enumerated in the Code.
- 4.2. Whenever there is any change in circumstances that may affect the status of an Independent Director, the Independent Director shall give a declaration to that effect. Further, at the first meeting of the Board of Directors held in every financial year, the Independent Director shall give a declaration that the criteria of independence as prescribed under the Applicable Laws has been met.
- 4.3. During the Term, the Independent Director shall continue to comply with the policies adopted by the Board including the Code for Prohibition of Insider Trading and Policy on the Related Party Transactions.

#### **5. RESTRICTIONS**

- 5.1. Save and except directorships currently held by the Independent Director, during the Term, the Independent Directors are expected not to take up directorship in any company (whether in India or abroad) engaged in the same or similar businesses as that of the Company or in a company, business or undertaking of which competes or is likely to compete with the Company or which could otherwise potentially give rise to a conflict with his/her duties with the Company as an independent director. In the event that the Independent Director becomes aware of any potential conflicts of interest, or in case of doubt, he / she should consult the Chairman of the Company as soon as practicable.
- 5.2. During the Term, an Independent Director shall not serve as (a) an independent director in more than the prescribed number of companies and (b) a committee member of more than the prescribed number of committees including chairmanship of such committees, as prescribed in the Applicable Laws.
- 5.3. During the term of appointment, Independent Director shall not indulge in forward dealings in securities of the Company which is prohibited under the Act. Directors are prohibited from dealing in the Company’s securities when the trading window is closed.
- 5.4. The Independent Director agrees that both during and after the term of Appointment, Independent Directors will not use for his/her own, or for another’s benefit, or disclose or permit the disclosure of any confidential information relating to the Company, or any 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.

**6. REMUNERATION**

- 6.1. In consideration of the services provided, the Independent Director shall be paid sitting fees for attending the meetings of the Board and its committees as fixed by the Board from time to time.

**7. TRAINING AND DEVELOPMENT**

- 7.1. The Company may, if required, will conduct training and development program for its Independent Directors.

**8. INSURANCE**

- 8.1. The Company maintains Directors and Officers Liability Insurance Policy and it is intended to maintain the cover as provided in such policy.

**9. EVALUATION PROCESS**

- 9.1. The performance of the Independent Director shall be evaluated on the criteria determined by the nomination and remuneration committee formed by the Board. The criteria for performance evaluation, as laid down by the nomination and remuneration committee, shall be disclosed in the Company's Annual Report.

**10. TERMINATION**

- 10.1. The directorship of the Independent Director on the Board of the Company shall terminate or cease in accordance with the Applicable law.
- 10.2. Apart from the grounds of termination as specified in the Applicable Laws, the directorship of the Independent Director may be terminated in case of violation of the Code.
- 10.3. The Independent Director may resign from the directorship of the Company by giving a written notice with reasons for resignation to the Company and the Registrar of Companies. The resignation shall take effect from the date on which the notice is received by the Company, or the date as specified in the notice, whichever is later.

**11. TIME COMMITMENT**

- 11.1. While accepting the appointment, the Independent Director confirms that he / she will be able to allocate sufficient time to perform his/her duties as a director and attend meetings of the Board

or any committee thereof. In addition to such attendances, Independent Director will be expected to devote appropriate preparation time ahead of each meeting.

## **12. GOVERNING LAW**

The Appointment and the terms hereunder are governed by the laws of India, and subject to jurisdiction of Courts in Rajkot.

## **13. MISCELLANEOUS**

This Policy represents the entire understanding, and constitutes the whole agreement, in relation to the appointment of Independent Director and supersedes any previous agreement between the Independent Director and the Company with respect thereto and, without prejudice to the generality of the foregoing, excludes any warranty, condition or other undertaking implied at law or by custom.

No waiver or modification of this Policy shall be valid unless made in writing and with the approval of the Board.

The Independent Director shall not be an employee of the Company and this Policy shall not be construed as a contract of employment.

In line with the provisions of the Applicable Laws, the Policy and the Independent Director's detailed profile shall be disclosed on the Company's website i.e. <https://www.gopalnamkeen.com>

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