

DRAFT LETTER OF RE- APPOINTMENT FOR INDEPENDENT DIRECTORS

{Pursuant to the provisions of Sections 149 of the Companies Act, 2013 read with Schedule –IV and the Rules made thereof and applicable provisions of SEBI(LO&DR) Regulation,2015 as amended from time to time}

Date: _____

Sri Nitin Ishwarlal Parekh
Add:-373/D, Vasudev Sadan, Telang Cross Road No 3,
Opp. Jain Clinic, Matunga (East),
Mumbai 400019

Dear Sir,

Sub: Letter of Re-appointment

We are pleased to inform you that upon the recommendation of the Nomination and Remuneration Committee, the Board of Directors (hereinafter referred as “the Board”) and Shareholders of Everlon Synthetics Limited (“the Company”) has approved your re-appointment as an Independent Director of the Company (“Independent Director”). This letter of re-appointment sets out the terms and conditions covering your appointment which is as follows:

1. Your re-appointment as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years, i.e. with effect from 28th August, 2021 to 27th August, 2026, have been approved by the members of the Company by way of Special Resolution passed at 32nd Annual General Meeting of the Company held on 28th August, 2021. Your re-appointment and tenure as Independent Director shall be consistent with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“Listing Regulations”). As per the declaration(s) dated April 05, 2021 provided by you, it is noted that you meet the criteria of being appointed as an Independent Director of the Company in terms of the provisions of Section 149 of the Companies Act, 2013 and Rules notified thereunder from time to time and Regulation 25(8) read with Regulation 16(1)(b) of Listing Regulations. You shall on a yearly basis declare to the Company that you continue to meet these eligibility criteria. In case of happening of any event, if you cease to meet the eligibility criteria for Independent Director, you shall promptly inform the Company of the same and shall cease to become an Independent Director of the Company. Continuation of your appointment is also contingent on satisfactory performance and any relevant statutory provisions relating to the removal of a Director/ vacation of office/ disqualification of director.
 2. You will devote sufficient time to the affairs of the Company while functioning as Independent Director as would be required to help the Company to achieve its objectives
 3. You will discharge your duties as per the provisions of Companies Act, 2013, read with Rules made thereunder, Code of Conduct of Independent Directors as per Schedule IV of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Articles of Association of the Company and other Statutes as may be applicable from time to time
 4. The Company has adopted Code of Conduct of the Company for its Directors and Senior Management Personnel which is applicable to Independent Directors also, a copy of which is enclosed. The Code for Independent Directors as per Schedule IV of the Companies Act, 2013 is also enclosed and Independent Directors are expected to abide by the same.
 5. As an Independent Director, you will be expected not to:
 - (a) Involve 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;
 - (b) achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners, or associates and if you are found guilty of making any undue gain, you will be liable to pay an amount equal to that gain to the Company; and
 - (c) assign your office and any assignment so made shall be void.
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6. As an Independent Director, you shall:

- uphold ethical standards of integrity and probity;
- act objectively and constructively while exercising your duties;
- exercise your responsibilities in a bona fide manner in the interest of the Company;
- devote sufficient time and attention to your professional obligations for informed and balanced decision-making;
- not allow any extraneous considerations that may vitiate your 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
- not abuse your 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.
- refrain from any action that could lead to a loss of your independence;
- ensure that if circumstances arise under which you may lose your independence, you will immediately inform the Board accordingly;
- assist the Company in implementing the best corporate governance practices

7. Your role, Responsibilities and duties will be those normally required of a Non-Executive Independent Director under the Companies Act, 2013 and the Rules made there under read with Schedule IV to the Act and applicable provisions of SEBI (LODR) Regulation, 2015 as amended from time to time.. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and are as under:

- You shall act in accordance with the Company's Articles of Association.
- You 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.
- You shall discharge your duties with due and reasonable care, skill and diligence.
- You 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. Please refer to Clause ix for full explanation on conflict of interest.
- You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.
- You shall not assign your office as Director and any assignments so made shall be void.

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 develop proposals on 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

Responsibilities: Independent directors have the same general legal responsibilities to the Company as that of any other director. The Board, as a whole, is collectively responsible for ensuring the success of the Company by directing and supervising the Company's affairs.

8. You will not be an employee of the Company and this letter shall not constitute a contract of employment. You 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. Such payments shall be subject to the provisions of Companies Act, 2013 and any amendments /subsequent legislation applicable to such appointments / re-appointment / extension of term of appointment

9. As per the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your performance as an Independent Director will be evaluated/ reviewed by the Board on an annual basis.

10. Your attention is drawn to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015 in respect of disclosure of price-sensitive information. Consequently, you are hereby informed not make any statements and/or enter into transactions that might risk a breach of these Regulations in any manner, whatsoever.

11. It is accepted and acknowledged that you may have business interests other than those of the Company. As a condition to your appointment commencing, you are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of your appointment. 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 judgment that you are independent, this should be disclosed to both the Chairman and the Secretary of the Company

12. All information acquired during your appointment is confidential to the Company should not be released, either during your appointment or following termination (by whatever means) to third parties without prior clearance from the Company/Board unless required by law or by the rules of any stock exchanges or regulatory body. On reasonable request, you shall surrender any documents and other materials made available to you by ESL.

13. Directors are prohibited from dealing in the Company's shares during the period when the trading window is closed. Further, directors, being designated officers of the Company for the purpose of insider trading guidelines, are to pre-clear all trades (buy/sell/gift) from the Company Secretary / the Compliance Officer of the Company. You are required to comply with the applicable insider trading laws and regulations. You are also required to comply with the Company's Code of Conduct and Ethics, enclosed with this letter of appointment.

14. You may resign from your position at any time and should you wish to do so, you are requested to serve a reasonable written notice on the Board.

Continuation of your appointment is contingent on your getting re-elected by the shareholders in accordance with provisions of Companies Act, 2013, SEBI (LO&DR) Regulation, 2015 and the Articles of Association of the Company, from time to time in force. Your appointment may also be terminated in accordance with the provisions of the Companies Act, 2013, SEBI (LO&DR) Regulation, 2015 and as per the Articles of Association of the Company from time to time in force.

15. This appointment letter is governed by and will be interpreted in accordance with Indian law and your engagement shall be subject to the jurisdiction of the Indian courts.

Yours Sincerely

For **EVERLON SYNTHETICS LIMITED**

By order of Board of Directors

Jitendra Kantilal Vakharia

DIN:- 00047777

Chairman & Managing Director

Encls: As Above
