

ELEGANT MARBLES & GRANI INDUSTRIES LTD.

Manufacturers / Importers / Exporters of Mirror Polished Italian Marbles & Granites

LETTER OF APPOINTMENT

Date: [●]

To,
[●]

Sir/Madam,

Sub: Appointment/Re-appointment as an Independent Director

I am pleased to inform you that the Members of the Company have approved your Appointment/re-appointment as an Independent Director on the Board of Directors of Elegant Marbles And Grani Industries Limited for a term of [●] consecutive years in their [●] AGM held on [●]. This letter sets out the terms and conditions to formalize your appointment as an Independent Director and in compliance with Schedule IV of the Companies Act, 2013 which is annexed hereto as **Annexure I**.

1. Appointment / Re-appointment

- 1.1. Your Appointment/Re-appointment and tenure as an 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").
- 1.2. As an Independent Director, your directorship is not subject to liable to retire by rotation.

2. Committees

- 2.1. The Board of Directors may invite you for being appointed on one or more of the existing Board Committees or any Committee(s) that may be set up in the future. Your appointment on such Committee (s) will be subject to applicable regulations.

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3. Time Commitment

- 3.1. You are expected to bring objectivity and independence of view to the Board's discussions and to help in providing 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.
- 3.2. The Board and Audit Committee meets at least four times in a year and not more than four months shall elapse between two meetings. Besides, there are other Committee meetings like Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee, the meetings of which are ordinarily convened as per requirement under the law for the time being in force.
- 3.3. You will be expected to attend Board, Board Committees to which you may be appointed and Shareholders meetings and to devote such time to your duties, as appropriate for you to discharge your duties effectively.
- 3.4. By accepting this appointment, you confirm that you are able to allocate sufficient time to meet the expectations from your role to the satisfaction of the Board.

4. Duties and Roles

- 4.1. Your roles and duties will be those normally required of a Non-Executive Independent Director under the Companies Act, 2013. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and inter alia are as under:
 - I. You shall act in accordance with the Company's Articles of Association.
 - II. 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 interests of the Company.
 - III. You shall discharge your duties with due and reasonable care, skill and diligence.
 - IV. You shall not involve in a situation where there is a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.

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V. You shall not assign your office as Director and any assignments so made shall be void.

4.2. There are certain roles, functions duties prescribed for all Independent Directors, which are listed in the 'Code for Independent Directors' as outlined in Schedule IV to the Companies Act, 2013. You shall abide by the said 'Code of Conduct for Independent Directors' as amended from time to time to the extent relevant and applicable to your role which is annexed hereto.

5. Conflicts of Interest

5.1. It is accepted and acknowledged that you may have business interests, memberships 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.

5.2. In the event that you become aware of any potential conflict of interest or, of not meeting the requirements of an Independent Director, you are requested to disclose the same to the chairman of the Company and Company Secretary as soon as you become aware of the same.

6. Confidentiality

6.1. All information acquired during your tenure of directorship is confidential and should not be disclosed, either during your tenure 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 as may be necessary in connection with the proper performance of your duties to the Company.

6.2. Your attention is also drawn to the requirements under the applicable regulations and the Company's Insider trading code which concerns the disclosure of price sensitive information, trading plans and dealing in the securities of the Company. Consequently you should avoid making any statements or performing any transactions that might risk

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a breach of these requirements without prior clearance from the Chairman of the Company.

7. Disclosure of Interest

- 7.1. You shall be required to submit certain information in the prescribed forms on a defined periodicity. Company Secretary shall be the coordinating officer for this. You are required to disclose to the Company your interests and any matters which affect your independence.
- 7.2. During your tenure as an Independent Director you are required to give a declaration that you meet the criteria of independent every financial year as provided under section 149 of the Companies Act, 2013.

8. Status of Appointment

- 8.1. You will not be an employee of the Company and this letter shall not constitute a contract of employment and is a contract for services.
- 8.2. You shall be paid a sitting fee as may be determined by the Board of Directors, for attending the each meeting of Board as well as Committee meetings attended by you, as per the provisions of Section 197 of the Companies Act, 2013 and the Articles of Association of the Company. As an Independent director you shall not be entitled to any stock option.

9. Induction and Development

- 9.1. Immediately after your appointment, you will be invited to attend an initial induction session and, thereafter, ongoing training and familiarization sessions, including briefings from management. Please avail yourself of these opportunities as fully as is appropriate to your personal circumstances.

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10. Evaluation of Board

10.1. As a member of the Board, your performance as well as the performance of the entire Board and its Committees shall be evaluated annually. Evaluation of each Director shall be done as per the criteria determined by the Nomination and Remuneration Committee and consistent with the prevailing laws. Your continuation and re-appointment on the Board shall be subject to the outcome of the yearly evaluation process.

11. Termination/Resignation

11.1. 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 to the Board.

11.2. Continuation of your appointment is contingent on your getting re-elected by the shareholders in accordance with provisions of the Companies Act, 2013 and the Articles of Association of the Company, from time to time in force.

11.3. Your Directorship on the Board of the Company shall terminate or cease in accordance with the provisions of the Companies Act, 2013. Apart from the grounds of termination as specified in the Companies Act, 2013 your directorship may be terminated for violation of any provisions of the Company's Code of Conduct for Board Members and Senior Management.

12. Dissemination of Letter of Appointment

12.1. In line with the provisions of the Companies Act, 2013, SEBI Listing Regulations and other applicable laws, the Company will disseminate a copy of this letter on its website at www.elegantmarbles.com.

13. Governing Law

13.1. This 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.

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Kindly confirm your acceptance of these terms by signing and returning to us the enclosed copy of this letter.

Thanking you.

Yours faithfully,

For, Elegant Marbles And Grani Industries Limited

Rajesh Agrawal
Chairman & Managing Director
DIN: 00017931

I have read and agree the above terms and conditions regarding my appointment/re-appointment as an Independent Director of Elegant Marbles And Grani Industries Limited.

Name :

Signature:

Encl:

Annexure I : Code for Independent Directors

Date:

Place:

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Annexure I

Schedule IV of Companies Act, 2013

[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:

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- 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;
- 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;

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- 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) act within their 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.
- 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;

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- 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 three months 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 financial 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.