



LETTER OF APPOINTMENT FOR INDEPENDENT DIRECTORS

To
Mr. Suman Kumar Das
(DIN: 07500784)
H 1566, Chittaranjan Park,
New Delhi 110019

August 1, 2024

Dear Mr. Suman Kumar Das,

I am writing to confirm the decision of the members at the sixty fourth annual general meeting of the Company held on July 31, 2024, to appoint you as a Non - Executive, Independent Director on the Board of Directors of Elgi Equipments Limited (hereinafter referred to as ELGI or the Company) for the first term of five consecutive years with effect from July 31, 2024. This letter of appointment sets out the terms and conditions covering your appointment, which are as follows:

1. Appointment

- 1.1 Your appointment as a Non - Executive, Independent Director on the Board of Directors of ELGI is for the first term of five consecutive years with effect from July 31, 2024. Your appointment is subject to the maximum permissible Directorships that one can hold as per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.
- 1.2 The term Independent Director should be construed as defined under the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time.
- 1.3 The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended. Accordingly, the Independent Directors will serve for not more than two terms of five years each on the Board of the Company. The Company is at liberty to disengage a Non-Executive, Independent Director earlier, subject to compliance of relevant provisions of Companies Act, 2013.

2. Committees

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

3. Time Commitment

- 3.1 As a Non-Executive 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. The Board meets at least four times a year. The

ELGI EQUIPMENTS LIMITED

Trichy Road, Singanallur, Coimbatore - 641005, Tamilnadu, India

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Audit Committee also meets at least four times in a year. Besides, there are other Committee meetings like Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Risk Management Committee and Corporate Social Responsibility Committee meetings which are ordinarily convened once or twice in a year. 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. Meetings are held physically or through video conference or hybrid of both.

- 3.2 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. Role and Duties

Your role and duties will be those normally required of a Non-Executive, Independent Director under the Companies Act, 2013 and the SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and 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 interest of the Company.
- III. You shall discharge your duties with due and reasonable care, skill and diligence.
- IV. 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 as prescribed under Section 149 (6) of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015. Please refer to clause 5 and 9 for full explanation on eligibility of independence and conflict of interest.
- V. You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.
- VI. You shall not assign your office as Director and any assignments so made shall be void.
- VII. You shall refrain from any action that could lead to a loss of your independence. Also provide a yearly declaration to the Board confirming your independence as per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

In addition to the above requirements applicable to all the 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 ELGI; and

Compliance: Non-Executive Directors should keep governance and compliance with the applicable legislations and regulations under review and the conformity of ELGI Practices to accepted norms.

5. Eligibility

- I. You shall not have been a promoter of Elgi or its subsidiary or associate company or member of the promoter group.
- II. You shall not be related to the promoters or directors of Elgi, its holding, subsidiary or associate company.
- III. You should not have had or have any pecuniary relationship, other than remuneration as a director or having transaction not exceeding 10% of your total income, with Elgi or its subsidiaries, associate companies, or their promoters, or directors, during the three immediately preceding financial years or during the current financial year.
- IV. None of your relatives shall hold securities of or interested in Elgi, its subsidiary or associate company during the three immediately preceding financial years or during the current financial year of face value in excess of fifty lakh rupees or two percent of the paid-up capital of the Elgi, its subsidiary or associate company, respectively.
- V. None of your relatives shall have any other pecuniary transaction or relationship with Elgi, its subsidiary or associate company amounting to two percent or more of its gross turnover or total income.
- VI. Neither you or your relative(s) - holds or has held the position of a key managerial personnel or is or has been an employee of Elgi or its subsidiary or associate company or any company belonging to the promoter group, in any of the three financial years immediately preceding the financial year.
- VII. Neither you or your relative(s) - is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year -
 - (1) a firm of auditors or company secretaries in practice or cost auditors of Elgi or its subsidiary or associate company.
 - (2) any legal or consulting firm that has or had any transaction with Elgi, its subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm.
- VIII. Neither you nor your relative(s) shall hold along with relatives two per cent or more of the total voting power of Elgi.
- IX. Neither you or your relative(s) shall be a material supplier, service provider or customer or a lessor or lessee of Elgi.
- X. You shall not be a non-independent director of another company on the board of which any non-independent director of Elgi is an independent director.

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- XI. None of the relatives shall be-
- (i) indebted to Elgi, its subsidiary or associate company or their promoters, or directors; or
 - (ii) has given a guarantee or provided any security in connection with the indebtedness of any third person to EEL, its subsidiary or associate company or their promoters, or directors, for an amount of fifty lakhs rupees, at any time during the two immediately preceding financial years or during the current financial year.
- XII. You shall be enrolled in the databank of the Indian Institute of Corporate Affairs (IICA) for a period of one year or five years or for your life-time until you continue to hold the office of an independent director in any company.
- XIII. You shall pass an online proficiency self-assessment test conducted by IICA within a period of two years from the date of inclusion of your name in the data bank unless you are exempted from undertaking the test as prescribed by the Companies Act.

6. Status of Appointment

You will not be an employee of the Company and this letter shall not constitute a contract of employment.

7. Remuneration

You will be paid remuneration by way of sitting fees for meetings of the Board and its Committees as may be decided by the Board, and company profit linked commission if (any) and when approved by the Shareholders from time to time. You shall not be entitled for any stock options of the Company.

8. Reimbursement of Expenses

In addition to the remuneration described in paragraph 6 the Company will, for the period of your appointment, reimburse you for travel, hotel and other incidental expenses incurred by you in the performance of your role and duties.

9. Conflict of Interest

- 9.1 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.
- 9.2 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 judgement that you are independent, this should be disclosed to both the Managing Director and the Company Secretary.

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10. Confidentiality

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

Your attention is also drawn to the requirements under the applicable regulations and the ELGI's standards for monitoring trading by Designated Persons, which concern the disclosure of price sensitive information and dealing in the securities of ELGI. Consequently, you should avoid making any statements or performing any transactions that might risk a breach of these requirements without prior clearance from the Company Secretary.

11. Familiarization Program:

You will be invited to attend the ongoing familiarization sessions, including briefings from Management and site visits. Please avail yourself of these opportunities as fully as is appropriate to your personal circumstances.

12. Evaluation

The Company has adopted a process on Board Evaluation. The process provides for evaluation of the Board, the Committees of the Board and individual Directors, including the Managing Director of the Board. As per this process, the Company will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors on an annual basis, based on a peer review. Your appointment and re-appointment on the Board shall be subject to the outcome of the yearly evaluation process.

13. Insurance

ELGI has incepted a Directors' and Officers' Insurance policy, and it is intended that ELGI will assume and maintain such cover for the full term of your appointment.

14. Independent Professional Advice

There may be occasions when you consider that you need professional advice in furtherance of your duties as a Director and it will be appropriate for you to consult independent advisors at the Company's expense. The Company will reimburse the full cost of expenditure incurred in accordance with the Company's policy, subject to your independence remaining unaffected.

15. Prohibition of Insider Trading

Directors are prohibited from dealing in the Company's shares during the period when the trading window is closed. Further, Directors, being designated persons of the Company for the purpose of insider trading regulations, shall obtain pre-clearance from the Compliance Officer of the Company for trading in the equity shares (buy/sell/pledge). You are required to comply with the applicable insider trading laws, regulations and the relevant code of conduct of the Company.

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16. Disclosure of Interest

The Company must include in its Annual Accounts a note of any material interest that a Director may have in any transaction or arrangement that the Company has entered into. Such interest should be disclosed no later than when the transaction or arrangement comes up at a Board meeting so that the minutes may record your interest appropriately and our records are updated. A general notice that you are interested in any contracts with a particular person, firm or company is acceptable.

17. Termination

- a. You may resign from your position at any time should you wish to do so after recording the detailed reasons for the same. You are requested to serve a reasonable written notice on the Board. Kindly note that the Company will effect necessary disclosures to the stock exchanges in this regard to the extent required by law or regulations.
- b. Continuation of your appointment post the first term of five consecutive years as stated above is contingent on your getting re-elected by the shareholders in accordance with provisions of Companies Act, 2013 and the Articles of Association of the Company, from time to time in force. You will not be entitled to compensation if the shareholders do not re-elect you at any time.
- c. Your appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company from time to time in force.

18. Governing Law

This agreement is governed by and will be interpreted in accordance with Indian law and your engagement shall be subject to the jurisdiction of the appropriate courts situated at Coimbatore only.


If you are willing to accept these terms of appointment relating to your appointment as a non executive Independent Director of ELGI, kindly confirm your acceptance of these terms by signing and returning to us the enclosed copy of this letter.

Yours Sincerely

For and on behalf of Elgi Equipments Limited


Jairam Varadaraj
Managing Director

I hereby acknowledge receipt of and accept the terms set out in this letter.

Signature: 
Date:



LETTER OF APPOINTMENT FOR INDEPENDENT DIRECTORS

August 1, 2024

To
Mrs. Aruna Thangaraj
(DIN: 07444726)
2A Rajiv Gandhi Nagar, Sowripalayam,
Coimbatore- 641028

Dear Mrs. Aruna Thangaraj,

I am writing to confirm the decision of the members at the sixty fourth annual general meeting of the Company held on July 31, 2024, to appoint you as a Non - Executive, Independent Director on the Board of Directors of Elgi Equipments Limited (hereinafter referred to as ELGI or the Company) for a second term of five consecutive years with effect from August 2, 2024. This letter of appointment sets out the terms and conditions covering your appointment, which are as follows:

1. Appointment

- 1.1 Your appointment as a Non - Executive, Independent Director on the Board of Directors of ELGI is for the second term of five consecutive years with effect from August 2, 2024. Your appointment is subject to the maximum permissible Directorships that one can hold as per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.
- 1.2 The term Independent Director should be construed as defined under the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time.
- 1.3 The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended. Accordingly, the Independent Directors will serve for not more than two terms of five years each on the Board of the Company. The Company is at liberty to disengage a Non-Executive, Independent Director earlier, subject to compliance of relevant provisions of Companies Act, 2013.

2. Committees

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

3. Time Commitment

- 3.1 As a Non-Executive 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. The Board meets at least four times a year. The

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Audit Committee also meets at least four times in a year. Besides, there are other Committee meetings like Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Risk Management Committee and Corporate Social Responsibility Committee meetings which are ordinarily convened once or twice in a year. 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. Meetings are held physically or through video conference or hybrid of both.

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4. Role and Duties

Your role and duties will be those normally required of a Non-Executive, Independent Director under the Companies Act, 2013 and the SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and 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 interest of the Company.
- III. You shall discharge your duties with due and reasonable care, skill and diligence.
- IV. 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 as prescribed under Section 149 (6) of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015. Please refer to clause 5 and 9 for full explanation on eligibility of independence and conflict of interest.
- V. You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.
- VI. You shall not assign your office as Director and any assignments so made shall be void.
- VII. You shall refrain from any action that could lead to a loss of your independence. Also provide a yearly declaration to the Board confirming your independence as per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

In addition to the above requirements applicable to all the 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.

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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 ELGI; and

Compliance: Non-Executive Directors should keep governance and compliance with the applicable legislations and regulations under review and the conformity of ELGI Practices to accepted norms.

5. Eligibility

- I. You shall not have been a promoter of Elgi or its subsidiary or associate company or member of the promoter group.
- II. You shall not be related to the promoters or directors of Elgi, its holding, subsidiary or associate company.
- III. You should not have had or have any pecuniary relationship, other than remuneration as a director or having transaction not exceeding 10% of your total income, with Elgi or its subsidiaries, associate companies, or their promoters, or directors, during the three immediately preceding financial years or during the current financial year.
- IV. None of your relatives shall hold securities of or interested in Elgi, its subsidiary or associate company during the three immediately preceding financial years or during the current financial year of face value in excess of fifty lakh rupees or two percent of the paid-up capital of the Elgi, its subsidiary or associate company, respectively.
- V. None of your relatives shall have any other pecuniary transaction or relationship with Elgi, its subsidiary or associate company amounting to two percent or more of its gross turnover or total income.
- VI. Neither you or your relative(s) - holds or has held the position of a key managerial personnel or is or has been an employee of Elgi or its subsidiary or associate company or any company belonging to the promoter group, in any of the three financial years immediately preceding the financial year.
- VII. Neither you or your relative(s) - is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year -
 - (1) a firm of auditors or company secretaries in practice or cost auditors of Elgi or its subsidiary or associate company.
 - (2) any legal or consulting firm that has or had any transaction with Elgi, its subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm.
- VIII. Neither you nor your relative(s) shall hold along with relatives two per cent or more of the total voting power of Elgi.
- IX. Neither you or your relative(s) shall be a material supplier, service provider or customer or a lessor or lessee of Elgi.
- X. You shall not be a non-independent director of another company on the board of which any non-independent director of Elgi is an independent director.

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- XI. None of the relatives shall be-
- (i) indebted to Elgi, its subsidiary or associate company or their promoters, or directors; or
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- XII. You shall be enrolled in the databank of the Indian Institute of Corporate Affairs (IICA) for a period of one year or five years or for your life-time until you continue to hold the office of an independent director in any company.
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6. Status of Appointment

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7. Remuneration

You will be paid remuneration by way of sitting fees for meetings of the Board and its Committees as may be decided by the Board, and company profit linked commission if (any) and when approved by the Shareholders from time to time. You shall not be entitled for any stock options of the Company.

8. Reimbursement of Expenses

In addition to the remuneration described in paragraph 6 the Company will, for the period of your appointment, reimburse you for travel, hotel and other incidental expenses incurred by you in the performance of your role and duties.

9. Conflict of Interest

- 9.1 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.
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Your attention is also drawn to the requirements under the applicable regulations and the ELGI's standards for monitoring trading by Designated Persons, which concern the disclosure of price sensitive information and dealing in the securities of ELGI. Consequently, you should avoid making any statements or performing any transactions that might risk a breach of these requirements without prior clearance from the Company Secretary.

11. Familiarization Program:

You will be invited to attend the ongoing familiarization sessions, including briefings from Management and site visits. Please avail yourself of these opportunities as fully as is appropriate to your personal circumstances.

12. Evaluation

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14. Independent Professional Advice

There may be occasions when you consider that you need professional advice in furtherance of your duties as a Director and it will be appropriate for you to consult independent advisors at the Company's expense. The Company will reimburse the full cost of expenditure incurred in accordance with the Company's policy, subject to your independence remaining unaffected.

15. Prohibition of Insider Trading

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- b. Continuation of your appointment post the first term of five consecutive years as stated above is contingent on your getting re-elected by the shareholders in accordance with provisions of Companies Act, 2013 and the Articles of Association of the Company, from time to time in force. You will not be entitled to compensation if the shareholders do not re-elect you at any time.
- c. Your appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company from time to time in force.

18. Governing Law

This agreement is governed by and will be interpreted in accordance with Indian law and your engagement shall be subject to the jurisdiction of the appropriate courts situated at Coimbatore only.


If you are willing to accept these terms of appointment relating to your appointment as a non executive Independent Director of ELGI, kindly confirm your acceptance of these terms by signing and returning to us the enclosed copy of this letter.

Yours Sincerely

For and on behalf of Elgi Equipments Limited


Jairam Varadaraj
Managing Director

I hereby acknowledge receipt of and accept the terms set out in this letter.

Signature: 
Date: August 2nd 2024

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LETTER OF APPOINTMENT FOR INDEPENDENT DIRECTORS

To
Mr. Ravindran Srinivasan
(DIN: 05259775)
D-701, Sterling Terraces,
100 feet Ring Road, BSK, 3rd stage,
Banashankari III Stage, Bangalore,
Karnataka 560085

August 1, 2024

Dear Mr. Ravindran Srinivasan,

I am writing to confirm the decision of the members at the sixty fourth annual general meeting of the Company held on July 31, 2024, to appoint you as a Non - Executive, Independent Director on the Board of Directors of Elgi Equipments Limited (hereinafter referred to as ELGI or the Company) for the first term of five consecutive years with effect from July 31, 2024. This letter of appointment sets out the terms and conditions covering your appointment, which are as follows:

1. Appointment

- 1.1 Your appointment as a Non - Executive, Independent Director on the Board of Directors of ELGI is for the first term of five consecutive years with effect from July 31, 2024. Your appointment is subject to the maximum permissible Directorships that one can hold as per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.
- 1.2 The term Independent Director should be construed as defined under the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time.
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2. Committees

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

3. Time Commitment

- 3.1 As a Non-Executive 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

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the Company's strategy, performance, and risk management as well as ensuring high standards of financial probity and corporate governance. The Board meets at least four times a year. The Audit Committee also meets at least four times in a year. Besides, there are other Committee meetings like Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Risk Management Committee and Corporate Social Responsibility Committee meetings which are ordinarily convened once or twice in a year. 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. Meetings are held physically or through video conference or hybrid of both.

3.2 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. Role and Duties

Your role and duties will be those normally required of a Non-Executive, Independent Director under the Companies Act, 2013 and the SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and 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 interest of the Company.
- III. You shall discharge your duties with due and reasonable care, skill and diligence.
- IV. 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 as prescribed under Section 149 (6) of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015. Please refer to clause 5 and 9 for full explanation on eligibility of independence and conflict of interest.
- V. You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.
- VI. You shall not assign your office as Director and any assignments so made shall be void.
- VII. You shall refrain from any action that could lead to a loss of your independence. Also provide a yearly declaration to the Board confirming your independence as per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

In addition to the above requirements applicable to all the 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.

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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 ELGI; and

Compliance: Non-Executive Directors should keep governance and compliance with the applicable legislations and regulations under review and the conformity of ELGI Practices to accepted norms.

5. Eligibility

- I. You shall not have been a promoter of Elgi or its subsidiary or associate company or member of the promoter group.
- II. You shall not be related to the promoters or directors of Elgi, its holding, subsidiary or associate company.
- III. You should not have had or have any pecuniary relationship, other than remuneration as a director or having transaction not exceeding 10% of your total income, with Elgi or its subsidiaries, associate companies, or their promoters, or directors, during the three immediately preceding financial years or during the current financial year.
- IV. None of your relatives shall hold securities of or interested in Elgi, its subsidiary or associate company during the three immediately preceding financial years or during the current financial year of face value in excess of fifty lakh rupees or two percent of the paid-up capital of the Elgi, its subsidiary or associate company, respectively.
- V. None of your relatives shall have any other pecuniary transaction or relationship with Elgi, its subsidiary or associate company amounting to two percent or more of its gross turnover or total income.
- VI. Neither you or your relative(s) - holds or has held the position of a key managerial personnel or is or has been an employee of Elgi or its subsidiary or associate company or any company belonging to the promoter group, in any of the three financial years immediately preceding the financial year.
- VII. Neither you or your relative(s) - is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year -
 - (1) a firm of auditors or company secretaries in practice or cost auditors of Elgi or its subsidiary or associate company.
 - (2) any legal or consulting firm that has or had any transaction with Elgi, its subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm.
- VIII. Neither you nor your relative(s) shall hold along with relatives two per cent or more of the total voting power of Elgi.
- IX. Neither you or your relative(s) shall be a material supplier, service provider or customer or a lessor or lessee of Elgi.
- X. You shall not be a non-independent director of another company on the board of which any non-independent director of Elgi is an independent director.

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- XI. None of the relatives shall be-
- (i) indebted to Elgi, its subsidiary or associate company or their promoters, or directors; or
 - (ii) has given a guarantee or provided any security in connection with the indebtedness of any third person to EEL, its subsidiary or associate company or their promoters, or directors, for an amount of fifty lakhs rupees, at any time during the two immediately preceding financial years or during the current financial year.
- XII. You shall be enrolled in the databank of the Indian Institute of Corporate Affairs (IICA) for a period of one year or five years or for your life-time until you continue to hold the office of an independent director in any company.
- XIII. You shall pass an online proficiency self-assessment test conducted by IICA within a period of two years from the date of inclusion of your name in the data bank unless you are exempted from undertaking the test as prescribed by the Companies Act.

6. Status of Appointment

You will not be an employee of the Company and this letter shall not constitute a contract of employment.

7. Remuneration

You will be paid remuneration by way of sitting fees for meetings of the Board and its Committees as may be decided by the Board, and company profit linked commission if (any) and when approved by the Shareholders from time to time. You shall not be entitled for any stock options of the Company.

8. Reimbursement of Expenses

In addition to the remuneration described in paragraph 6 the Company will, for the period of your appointment, reimburse you for travel, hotel and other incidental expenses incurred by you in the performance of your role and duties.

9. Conflict of Interest

- 9.1 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.
- 9.2 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 judgement that you are independent, this should be disclosed to both the Managing Director and the Company Secretary.

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10. Confidentiality

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

Your attention is also drawn to the requirements under the applicable regulations and the ELGI's standards for monitoring trading by Designated Persons, which concern the disclosure of price sensitive information and dealing in the securities of ELGI. Consequently, you should avoid making any statements or performing any transactions that might risk a breach of these requirements without prior clearance from the Company Secretary.

11. Familiarization Program:

You will be invited to attend the ongoing familiarization sessions, including briefings from Management and site visits. Please avail yourself of these opportunities as fully as is appropriate to your personal circumstances.

12. Evaluation

The Company has adopted a process on Board Evaluation. The process provides for evaluation of the Board, the Committees of the Board and individual Directors, including the Managing Director of the Board. As per this process, the Company will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors on an annual basis, based on a peer review. Your appointment and re-appointment on the Board shall be subject to the outcome of the yearly evaluation process.

13. Insurance

ELGI has incepted a Directors' and Officers' Insurance policy, and it is intended that ELGI will assume and maintain such cover for the full term of your appointment.

14. Independent Professional Advice

There may be occasions when you consider that you need professional advice in furtherance of your duties as a Director and it will be appropriate for you to consult independent advisors at the Company's expense. The Company will reimburse the full cost of expenditure incurred in accordance with the Company's policy, subject to your independence remaining unaffected.

15. Prohibition of Insider Trading

Directors are prohibited from dealing in the Company's shares during the period when the trading window is closed. Further, Directors, being designated persons of the Company for the purpose of insider trading regulations, shall obtain pre-clearance from the Compliance Officer of the Company for trading in the equity shares (buy/sell/pledge). You are required to comply with the applicable insider trading laws, regulations and the relevant code of conduct of the Company.

16. Disclosure of Interest

The Company must include in its Annual Accounts a note of any material interest that a Director may have in any transaction or arrangement that the Company has entered into. Such interest should be disclosed no later than when the transaction or arrangement comes up at a Board meeting so that the minutes may record your interest appropriately and our records are updated. A general notice that you are interested in any contracts with a particular person, firm or company is acceptable.

17. Termination

- a. You may resign from your position at any time should you wish to do so after recording the detailed reasons for the same. You are requested to serve a reasonable written notice on the Board. Kindly note that the Company will effect necessary disclosures to the stock exchanges in this regard to the extent required by law or regulations.
- b. Continuation of your appointment post the first term of five consecutive years as stated above is contingent on your getting re-elected by the shareholders in accordance with provisions of Companies Act, 2013 and the Articles of Association of the Company, from time to time in force. You will not be entitled to compensation if the shareholders do not re-elect you at any time.
- c. Your appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company from time to time in force.

18. Governing Law

This agreement is governed by and will be interpreted in accordance with Indian law and your engagement shall be subject to the jurisdiction of the appropriate courts situated at Coimbatore only.

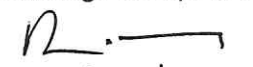
If you are willing to accept these terms of appointment relating to your appointment as a non executive Independent Director of ELGI, kindly confirm your acceptance of these terms by signing and returning to us the enclosed copy of this letter.

Yours Sincerely

For and on behalf of Elgi Equipments Limited


Jairam Varadaraj
Managing Director

I hereby acknowledge receipt of and accept the terms set out in this letter.

Signature: 
Date: 03/08/24



LETTER OF APPOINTMENT FOR INDEPENDENT DIRECTORS

August 1, 2024

To
Mr. Srinivasan Krishnamurthi
(DIN: 06662916)
MARC Gardens, TVS Avenue, Akkarai,
Sholinganallur, Kancheepuram 600119

Dear Mr. Srinivasan Krishnamurthi,

I am writing to confirm the decision of the members at the sixty fourth annual general meeting of the Company held on July 31, 2024, to appoint you as a Non - Executive, Independent Director on the Board of Directors of Elgi Equipments Limited (hereinafter referred to as ELGI or the Company) for the first term of five consecutive years with effect from July 31, 2024. This letter of appointment sets out the terms and conditions covering your appointment, which are as follows:

1. Appointment

- 1.1 Your appointment as a Non - Executive, Independent Director on the Board of Directors of ELGI is for the first term of five consecutive years with effect from July 31, 2024. Your appointment is subject to the maximum permissible Directorships that one can hold as per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.
- 1.2 The term Independent Director should be construed as defined under the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time.
- 1.3 The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended. Accordingly, the Independent Directors will serve for not more than two terms of five years each on the Board of the Company. The Company is at liberty to disengage a Non-Executive, Independent Director earlier, subject to compliance of relevant provisions of Companies Act, 2013.

2. Committees

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

3. Time Commitment

- 3.1 As a Non-Executive 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. The Board meets at least four times a year. The

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Audit Committee also meets at least four times in a year. Besides, there are other Committee meetings like Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Risk Management Committee and Corporate Social Responsibility Committee meetings which are ordinarily convened once or twice in a year. 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. Meetings are held physically or through video conference or hybrid of both.

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- III. You shall discharge your duties with due and reasonable care, skill and diligence.
- IV. 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 as prescribed under Section 149 (6) of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015. Please refer to clause 5 and 9 for full explanation on eligibility of independence and conflict of interest.
- V. You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.
- VI. You shall not assign your office as Director and any assignments so made shall be void.
- VII. You shall refrain from any action that could lead to a loss of your independence. Also provide a yearly declaration to the Board confirming your independence as per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

In addition to the above requirements applicable to all the directors, the role of the Non-Executive Director has the following key elements:

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- VI. Neither you or your relative(s) - holds or has held the position of a key managerial personnel or is or has been an employee of Elgi or its subsidiary or associate company or any company belonging to the promoter group, in any of the three financial years immediately preceding the financial year.
- VII. Neither you or your relative(s) - is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year -
 - (1) a firm of auditors or company secretaries in practice or cost auditors of Elgi or its subsidiary or associate company.
 - (2) any legal or consulting firm that has or had any transaction with Elgi, its subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm.
- VIII. Neither you nor your relative(s) shall hold along with relatives two per cent or more of the total voting power of Elgi.
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Your attention is also drawn to the requirements under the applicable regulations and the ELGI's standards for monitoring trading by Designated Persons, which concern the disclosure of price sensitive information and dealing in the securities of ELGI. Consequently, you should avoid making any statements or performing any transactions that might risk a breach of these requirements without prior clearance from the Company Secretary.

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- b. Continuation of your appointment post the first term of five consecutive years as stated above is contingent on your getting re-elected by the shareholders in accordance with provisions of Companies Act, 2013 and the Articles of Association of the Company, from time to time in force. You will not be entitled to compensation if the shareholders do not re-elect you at any time.
- c. Your appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company from time to time in force.

18. Governing Law

This agreement is governed by and will be interpreted in accordance with Indian law and your engagement shall be subject to the jurisdiction of the appropriate courts situated at Coimbatore only.

If you are willing to accept these terms of appointment relating to your appointment as a non executive Independent Director of ELGI, kindly confirm your acceptance of these terms by signing and returning to us the enclosed copy of this letter.

Yours Sincerely

For and on behalf of Elgi Equipments Limited



Jairam Varadaraj
Managing Director

I hereby acknowledge receipt of and accept the terms set out in this letter.

Signature:

Date: