

## **DRAFT AGREEMENT OF VICE-CHAIRMAN & MANAGING DIRECTOR**

This **AGREEMENT** is made on ..... July, 2024 between **Shyam Metalics and Energy Limited** (CIN: L40101WB2002PLC095491), a Company incorporated under the Companies Act, 1956 (now the Companies Act, 2013) having its Registered Office at Trinity Tower, 83, Topsia Road, 7<sup>th</sup> floor, Kolkata -700 046 (hereinafter called "**the Company**") of the one part.

AND

**Mr. Brij Bhushan Agarwal** (DIN: 01125056), son of Mr. Mahabir Prasad Agarwal, resident of Shree Kunj, 14B Alipore Park Road, Alipore, Kolkata – 700027 (hereinafter called "**the Vice-Chairman & Managing Director**") of the other part.

The Company and the Vice-Chairman & Managing Director are individually referred to as "**Party**" and collectively referred to as "**Parties**".

WHEREAS Mr. Brij Bhushan Agarwal satisfies the conditions specified in Section 196 and Part I of Schedule V to the Companies Act, 2013 ("the Act") and other relevant provisions of the Act;

AND WHEREAS by a resolution adopted in the Board Meeting of the Company held on 11<sup>th</sup> June, 2019 the Board had last re-appointed Mr. Brij Bhushan Agarwal as the Vice-Chairman and Managing Director of the Company for a period of 5 (five) years with effect from 1<sup>st</sup> October 2019 till 30<sup>th</sup> September, 2024. The Shareholders in their meeting held on 26<sup>th</sup> September 2019 had also approved his re-appointment and Remuneration thereof;

AND WHEREAS Mr. Brij Bhushan Agarwal is eligible for re-appointment as Vice-Chairman and Managing Director for another term of five years w.e.f. 1<sup>st</sup> October, 2024, in terms of the provisions of the sections 196, 197, 198 & 203 and schedule V to the Companies Act, 2013 and Rules made thereunder;

AND WHEREAS by a resolution adopted in the Board Meeting of the Company held on 14<sup>th</sup> May, 2024 on the recommendation of the Nomination and Remuneration Committee and the Audit Committee, the Board re-appointed Mr. Brij Bhushan Agarwal as the Managing Director designated as Vice-Chairman & Managing Director of the Company for a further period of five years commencing 1<sup>st</sup> October, 2024 subject to the approval of the shareholders of the company and the Managing Director agrees to act as such on the terms mentioned below;

AND WHEREAS the parties are desirous of executing this agreement being these presents.

**NOW THEREFORE, IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:**

1. Mr. Brij Bhushan Agarwal (DIN: 01125056) is re-appointed as the Managing Director designated as Vice-Chairman & Managing Director of the Company

falling within the category of 'Key Managerial Personnel', in terms of the provisions of the Companies Act, 2013, with effect from 1<sup>st</sup> October, 2024 for a period of five years, and subject to the superintendence, control and direction of the Board of Directors of the Company, shall have all powers and responsibilities with full authority to do all acts, matters and things deemed necessary, proper or expedient, including signing of all such contracts, documents, as may be considered necessary, for carrying out affairs, business, operations and other functions of the Company in the ordinary course of the business.

2. The Vice-Chairman & Managing Director shall be entrusted with substantial powers of the management and shall exercise and perform such powers and duties as the Board of Directors of the Company shall, from time to time, determine, and subject to any restrictions imposed by the Board and further subject to the superintendence, control, and direction of the Board, he shall have the general control, management substantial powers, superintendence and control on the affairs, business and operations of the company including the business of any one or more of its associate companies and/or joint ventures and/or subsidiaries.
3. Without prejudice to the generality of the powers and duties hereby conferred upon him and so as not in any way to limit or restrict those powers, it is hereby expressly declared that he shall have the following powers and duties:
  - a) To negotiate, finalize and enter into, carry out and perform all contracts, agreements, sales and purchases in connection with the company's business and to sign and execute the same and to do all such acts, deeds and things as may be necessary in connection therewith;
  - b) To carry on all the business correspondence;
  - c) To borrow moneys with or without security, for the purpose of business of the Company, subject to the approvals of the Company as required under section 180(1)(c) of the Companies Act, 2013 and approval of the Board of Directors of the Company as required under section 179 of the said Act and subject further to such maximum limit as the Board may impose from time to time while giving its approval;
  - d) To incur capital expenditure for the purpose of the Company subject to the rules of the Company and such limits and capex budget as the Board may lay down;
  - e) Shall put best efforts in achieving excellence in his work / assignments and involve and drive the Vision, Mission and Values of the Organization to contribute and finalize the organizational strategies;
  - f) To deploy and invest surplus funds of the company in financial and other assets including in the security market subject to the compliance of section 186 of the companies Act, 2013 and subject to such ceilings and conditions as may be specified by the board of directors from time to time;

- g) To institute, prosecute, defend, oppose, appear or appeal, to compromise, refer to arbitration, abandon subject to judgment, proceed to judgment and execution or become non-suited in any legal proceedings including trademarks, trade names and trade property and customs passing off actions and revenue proceedings relating to customs or GST, tax on income, and taxation generally or otherwise;
- h) To make, sign, draw, accept, endorse, negotiate, sell and transfer on behalf of the company all cheques, bills of exchanges, drafts, hundies, promissory notes, dock warrants, delivery order railway receipts, bill of lading and other mercantile documents and other negotiable instruments and securities;
- i) To become a party and to present for registration and admit execution on behalf of the company of all deeds, instruments contracts, agreements receipts and all other documents whatsoever;
- j) To receive and give effectual receipts and discharge of money, funds, goods or property payable to or to be received by the Company;
- k) To ask, demand, sue for, recover and receive all sums of money, rents, debts, dues, goods, effects and things which now or at any time hereafter become due or owing, payable, delivered or belonging to the company and to give effectual receipts, releases and other discharges for the same in ordinary course of the business;
- l) To appoint and sign warrants of authorities or vakalatnamas of any lawyer that may be required in connection with the company's business and to sign all necessary plaints, written statements, appeals, applications, petitions and affidavits and to affirm and declare and sign the same in any court or before any arbitrator or tribunal to adjust, settle and compound any accounts, debts and claims by or against the company;
- m) To refer to arbitration all or any claims or accounts and demands by or against the company;
- n) To appear before any governmental, whether central or state or public, municipal or local authorities or officers including income-tax or any other tax officer or authorities and represent the company and to file any applications, returns or other statements that may be necessary in connection with company's business;
- o) To purchase, take on lease, hire or rent any movable or immovable properties required for the purpose of business of the company at such rent, hire charges or consideration and for such period and on such terms and conditions as the Managing Director may think fit;
- p) To attend, vote and otherwise to represent the company and to take part in all meetings held in connection with any other company with which the company is concerned or in relation to any investments of the company and to sign

proxies and authorities for the purpose of voting thereat or for any other purpose connected therewith, including voting in all bankruptcy, insolvency, and liquidation or other proceedings in which the company may be interested or concerned;

- q) To appoint and remove bankers, solicitors, advocates, accountants, architects, valuers, engineers, and other experts, consultants and advisers of the company and with such powers and duties and upon such terms as to duration of employment, remuneration or otherwise, as the Managing Director may think fit;
- r) To give loans / advances to the executives, officers or employees of the company, within such limits as may be prescribed by the board of directors from time to time;
- s) To appoint or employ persons from time to time and to discharge or remove or suspend or re-appoint and re-employ or replace managers, officers, clerks or workmen, employees and other staffs of the company, bankers, all kinds of agents, brokers, advocates, barristers, solicitors, pleaders, lawyers, mechanics, engineers, technician experts, merchants retail and wholesale commission dealers with such powers and duties and upon such terms as to duration of employment, remuneration or otherwise as the Managing Director may deem fit within the ambit of Company's policy;
- t) To insure and keep insured the company's premises, buildings, and all other properties and assets of the company movable or immovable and profits of the company against loss or damage by fire and other risks to such amount and for such period, as the Managing Director may deem proper in the interest of the company;
- u) To delegate such of his powers as can be delegated, to any executives / officers / employees of the company and subject to such limits as the Managing Director may deem fit;
- v) Such other powers as the Board may delegate to him from time to time;
- w) Monitoring, supervising and managing the whole of the Affairs of the company including all the business and Operations including Financial, Treasury, Marketing, Commercial, Costing, Projects, Legal, Compliances, Risk Management, Accounting and other functions of the Company and compliances thereof in general;
- x) To analyze and monitor the ongoing and future projects of the Company and to incur capital expenditure during any financial year;
- y) And generally, to do all acts, deeds and things as may be necessary for and on behalf of the company to all intents and purposes as may be deemed fit and proper in the ordinary course of business by the Managing Director in the best interest of the company.

4. The Managing Director shall throughout the said term, devote his time, attention and abilities to the business of the Company and shall follow the directions, from time to time, of the Board and in all respects conform to and comply with the directions made by the Board and shall faithfully serve the Company and use his utmost endeavor to promote the interest thereof.
5. The Company shall subject to the ceiling limit laid down in section 197 of the companies Act, 2013 and in accordance with the provisions of schedule V to the Companies Act, 2013, as amended, pay to the Vice-Chairman & Managing Director as from 1<sup>st</sup> October, 2024 remuneration for his services as under:

A. **Salary** - in the range of Rs. 2,40,00,000/- p.a. to Rs. 6,00,00,000/- p.a.

The annual increment, which will be effective 1st April each year and shall be decided by the Board based on the recommendation of the Nomination & Remuneration Committee and will be merit-based considering the Company's performance as well.

**B. Perquisites:**

In addition to salary, Mr. Brij Bhushan Agarwal shall be entitled to such perquisites, as may be decided by the Board of Directors on recommendation of the Nomination and Remuneration Committee, subject however that the aggregate remuneration on account of such perquisites shall not exceed 50% of the salary as explained herein above.

Mr. Brij Bhushan Agarwal shall also be entitled to the following perquisites which shall not be included in the remuneration as stated above:

- i. Contribution to Provident Fund and Superannuation Fund or Annuity Fund as per Rules of the Company, to the extent these either singly or together are not taxable under Income Tax Act, 1961.
- ii. Gratuity payable at a rate not exceeding half month's salary for each completed year of service.
- iii. Encashment of leave at the end of the tenure.

In addition to above, the following facilities, if provided, shall not be considered as perquisites:

- iv. Provision of car for use on Company's business. Use of car for personal purposes shall be billed by the Company to him.
- v. Mobile phone and telephone facilities at the residence for official use. Personal long-distance calls shall be billed by the Company to him.
- vi. Reimbursement of entertainment and other expenses actually incurred in connection with the business of the Company.

- C. **Commission:** Such remuneration by way of commission, in addition to the salary and perquisites and allowances payable, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board of the Company at the end of each financial year, subject to the overall ceilings stipulated in Section 197 of the Companies Act, 2013 or any modification or enactment thereof. The specific amount payable to the Managing Director will be based on performance as evaluated by the Nomination and Remuneration Committee or the Board and will be payable annually.
- D. **Minimum Remuneration:** Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay to the Managing Director remuneration by way of Salary, Benefits, Perquisites and Allowances as specified above.
- E. **Insurance:** The Company will take an appropriate Directors' and Officers' Liability Insurance Policy and pay the premiums for the same. It is intended to maintain such insurance cover for the entire period of re-appointment, subject to the terms of such policy in force from time to time.
- F. **Other Terms of Re-appointment:**
- i. The terms and conditions of the said re-appointment may be altered and varied from time to time by the Board as it may in its discretion deem fit, irrespective of the limits stipulated under Schedule V to the Companies Act, 2013 ('the Act') or any amendments made hereafter in this regard, in such manner as may be agreed to between the Board and the Managing Director, subject to such approvals as may be required.
  - ii. All Personnel Policies of the Company and the related rules which are applicable to other employees of the Company shall also be applicable to the Managing Director, unless specifically provided otherwise.
  - iii. The terms and conditions of re-appointment of the Managing Director also includes adherence with the Code of Conduct, no conflict of interest with the Company, protection and use of Intellectual Properties, non-solicitation post termination of agreement and maintenance of confidentiality.
6. Mr. Agarwal shall not during the period of his engagement, and without the previous consent in writing of the Board, engage or interest himself either directly or indirectly in the business or affairs of any other person, firm, company, body corporate or concern or in any undertaking or business of a nature similar to or competing with the Company's business and further shall not, in any manner, whether directly or indirectly, use, apply or utilize his knowledge or experience for or in the interest of any such person, firm, company, body corporate or concern as aforesaid or any such competing

undertaking or business as aforesaid.

7. He shall not, during the continuance of his engagement or any time thereafter, divulge or disclose to any person, firm, company, body corporate or concern, whatsoever or make any use whatever for his own or for whatever purpose of any confidential information or knowledge obtained by him during his employment of the business or affairs of the Company or of any trade secrets or secret processes of the Company and he shall, during the continuance of his employment hereunder, also use his best endeavours to prevent any other person, firm, company, body corporate or concern from doing so.
8. Any property of the Company or relating to the business of the Company, including memoranda, notes, records, reports, plates, sketches, plans, or other documents which may be in the possession or under the control of Mr. Agarwal or to which he has at any time access, shall at the time of the termination of his employment be delivered by him to the Company or as it shall direct and he shall not be entitled to copyright in any such document which he hereby acknowledge to be vested in the Company or its assigns and binds himself not to retain copies of any of them.
9. Mr. Agarwal shall from time to time, during his employment hereunder, fully disclose to the Company, the progress of his investigation and any discoveries he may make himself or in conjunction with others and if at any time hereafter, he shall make himself or in conjunction with others any improvement, invention or discovery arising out of or in connection with the said employment, he shall forthwith disclose to the Company or any patent agent appointed by it a full and complete description of the nature of the said improvement, invention or discovery and the mode of performing the same.
10. In the event Mr. Agarwal ceases to be a director of the company for any reason whatsoever, he shall be ceased to be the Managing Director of the company.
11. Mr. Agarwal shall not be paid any sitting fee or re-imbusement of expenses for attending the meetings of the Board of Directors or committee/ sub committees thereof from the date of his appointment.
12. Mr. Agarwal shall keep the Company informed by writing of any change in his status, including change in his residential address, change in his interest or concern in other entities or that of his relatives.
13. If Mr. Agarwal is at any time prevented by ill-health or accident from performing his duties hereunder, he shall inform the Company.
14. He should avoid making any statements or engage in such practices that might risk a breach of the Company's Code of conduct for Regulating, Monitoring and Reporting of Trading by Insiders and the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.
15. This re-appointment may be terminated by either party by giving to the other

party three months' notice of such termination or the Company paying three months' remuneration.

16. Further, his directorship shall not be liable to be determined as per provisions of Companies Act, 2013 regarding retirement of directors by rotation.
17. This agreement and the terms and conditions hereof shall be subject to the approval of the shareholders of the Company in General Meeting under the relevant provisions of the Companies Act, 2013 and in the event of any alteration directed to be made by the shareholders of the Company in any of the terms and conditions mentioned hereinbefore, the same shall be binding on the Managing Director and his appointment shall be subject thereto.

IN WITNESS WHEREOF the Parties hereto have set their hands on the day, month and year as above written.

For and on behalf of the company

.....  
(Director)

Signed and delivered by  
as acceptance

Brij Bhushan Agarwal  
(Vice-Chairman & Managing Director)

Witnesses:

1. Mr. B K Jain  
Company Secretary  
Shyam Metalics and Energy Ltd.  
S S Chambers,  
5 C R Avenue  
Kolkata – 700 072
2. Ms. Sneha Tantia  
Shyam Metalics and Energy Ltd.  
S S Chambers,  
5 C R Avenue  
Kolkata – 700 072