GOYAL ASSOCIATES LIMITED

Terms and Conditions of appointment of Independent Directors

[Pursuant to the provisions of Schedule IV to the Companies Act, 2013]

The terms and Conditions of the appointment, which shall, in any event be subject to the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and the Articles of Association of the Company, are set out below. The broad terms and conditions of their appointment as Independent Directors are reproduced hereunder:

Terms of Appointment

The appointment of an Independent Director can be made subject to the compliance of the Companies Act, 2013 ("Act") and rule made thereunder, provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Articles of Association of the Bank and any other circular and/or guidelines issued by the Ministry of Corporate Affairs, SEBI and RBI from time to time in this regard.

The Independent Director shall satisfy the criteria specified under section 149(6) of the Act and Regulation 16 of the SEBI Listing Regulations.

The Independent Director shall submit a declaration to the company at the beginning of every Financial Year or whenever there is change in circumstances which may affect their status as an Independent Director under Section 149 (7) of the Act and Regulation 25(8) of the SEBI Listing Regulations stating that they meet the criteria of Independence, as provided under Section 149 of the Act, and that they are not aware of any circumstance or situation, which exist or may be

reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

So long as the Director is an Independent Director of the company, the number of companies in which they can hold office as a Director, or a chairman or committee member shall not exceed the limit stipulated under the Act and SEBI Listing Regulations.

So long as they are an Independent Director of the Bank, they will ensure that they do not get disqualified to act as a Director under Section 164 of the Act or debarred from holding office of director by virtue of order of SEBI or by any such other authority.

The Independent Director shall not be liable to retire by rotation.

The independent director shall hold office up to a period of such years as may be approved by the Board/Shareholders, as applicable, or such other period as may be prescribed by Act and SEBI Listing Regulations, whichever is earlier.

The Independent Director shall be eligible for re-appointment, subject to approval of members of the company pursuant to provisions of The Act.

Committees

Independent Director may be appointed as a member of the Committees of the Board as and when decided by the Board. Their responsibilities as a member of the committees, when appointed shall be as per the respective committee's role, functions & responsibilities.

Role, Duties and Responsibilities

The Independent Director will perform his/her fiduciary duties in a responsible manner and his/her general legal responsibilities to the Company will be at par with a non- executive director.

The Independent Director shall act in accordance with the Articles of Association of the Company and while discharging his/her duties, comply with the requirements of Section 166 and Schedule IV to the Companies Act, 2013 (“the Act”).

As members of the Board, they along with the other Directors will be collectively responsible for meeting the objectives of the Board which include:

A. Requirements under the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013,

B. Accountability under the Director’s Responsibility Statement.

C. The role and duties of Independent Directors will be those normally required of a Non Executive Independent Director under the Companies Act, 2013 and Listing Regulations. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and are as under:

I. They shall act in accordance with the Company's Articles of Association.

II. They 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. They shall discharge their duties with due and reasonable care, skill and diligence.

IV. They shall not involve themselves in a situation in which they may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.

V. They shall not achieve or attempt to achieve any undue gain or advantage either to themselves or to their relatives, partners or associates.

VI. They shall not assign their office as Director and any assignments so made shall be void.

Status of Appointment and Remuneration

Independent Directors will not be employees of the Company and their appointment letter shall not constitute a contract of employment. They 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.

Independent Directors have no entitlement to any bonus during the appointment and no entitlement to participate in any employee stock option scheme operated by the Company or any Group Company.

Reimbursement of Expenses

The Company may pay or reimburse to the Director such expenditure, as may have been incurred by them while performing their role as an Independent Director of the Company.

Termination

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 and Listing Regulation.

Conflict of Interest

It is expected that Independent Director shall not act in a manner or engage in such activities which may give rise to conflict of interest.

In the event circumstances seems 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 the company.

Training and Development

The Company may, if required, conduct formal training program for its Independent Directors. The Company may, as may be required, support Directors to continually update their skills and knowledge and improve their familiarity with the company and its business.

General

The appointment of Independent Directors and any non-contractual obligations arising out thereof shall be governed by and be construed in accordance with, the laws of India.

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