



SCAN STEELS LTD.

CIN : L27209MH1994PLC076015 | GSTIN : 21AABCM6734H1ZQ

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scansteels@scansteels.com

www.scansteels.com



Date: 28.02.2024

To,
Mrs. Konika Poddar
Anugrah Nagar,
Dhansar,
Dhanbad,
Jharkhand, 828106

Dear Madam,

Sub: Appointment as Independent Director

We thank you for your confirmation to Scan Steels Limited (the "Company") that you meet the "independence" criteria as envisaged in Section 149(6) of the Companies Act, 2013 ("2013 Act"), Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also for consenting to hold office as an Independent Director of the Company.

We are pleased to confirm that upon the recommendation of Nomination and Remuneration Committee, Board at the Board Meeting held on 30th January, 2024 appointed you as an Independent Additional Director. And Pursuant to your confirmation and Share Holders Approval Accorded in the Extra-Ordinary General Meeting held on February 27, 2024 the Board of Directors of the Company has approved your appointment as an Independent Non-Executive Director.

This letter sets out the terms of your appointment as an Independent Director. Your relationship with the company will be that of an office- holder and not the one of contract for employment in the company.

The terms of your appointment, as set out in this letter, are subject to the extant provisions of the (i) applicable laws, including Companies Act 2013 and (ii) Articles of Association of the Company ("AOA") (iii) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1. Term of Appointment

Your appointment will be governed as per the provisions of this letter, unless terminated earlier or extended, as per the applicable laws ("Term").

As an Independent Director you will not be liable to retire by rotation.



Corporate Office : Trishna Nirmalya
Plot No. 516/1723/3991, 3rd Floor
Patia, Bhubaneswar-751024

Registered Office : Office No. 104, 105, E-Square
Subhash Road, Vile Parle (East), Mumbai-400057
Phone : +91-02226185461, +91-02226185462



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- The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013 read with (Listing Obligations and Disclosure Requirements) Regulations, 2015 accordingly, the Independent Directors will serve for not more than two terms of five years each on the Board of the Company. thereby, your appointment will be for a term of 5 (five) consecutive years commencing from 30th January, 2024 till 29th January, 2029 This tenure is subject to your meeting during the term, the criteria for being an Independent Director and not being disqualified to continue to be a director under the applicable laws, rules, regulations and the Listing Regulations.
- The Company is at liberty to disengage Non-Executive Independent Director earlier subject to the compliance of relevant provisions of the Companies Act, 2013 and/or Listing Regulations.

2. Disqualifications

- Section 164 of the Companies Act, 2013 provides that a person is not eligible for appointment as a Director of a company if he/she suffers from any of the disqualifications specified in the said Section.
- You are required to ensure that you do not attract any of the disqualifications as specified in Section 164 of the Companies Act, 2013. In case you attract any disqualifications, you shall forthwith inform in writing to the Chairman about the same.

3. Independence

- The Board of Directors of the Company *inter alia* has given due consideration to your declaration of being qualified as 'Independent' in accordance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. You are expected to continue to be qualified as 'Independent' during your tenure and provide periodic declaration to that effect as required by the regulations and/or Section 149 of Companies Act, 2013. If circumstances change and you believe that it may not be possible for you to retain your independence, you shall intimate the same to the Company forthwith.
- You will be identified as 'Independent Director' in the Annual Report and other documents and publications of the Company.



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4. Board Committees

- As advised by the Board, during your tenure of office, you may be required to serve /continue to serve on one or more of the Committees of the Board established by the Company. Upon your appointment to any one or more of the Committees, you will be provided with the appropriate Committee charter which sets out the functions of that Committee.
- Currently, the Board has Five Committees: Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, and Corporate-Social Responsibility Committee and Risk Management Committee. All Committees consist of one or more of Independent Directors. The Board is responsible for constituting, assigning, co-opting and fixing the terms of reference of the Committees. The Chairperson of the Board, in consultation with the Company Secretary and the Committee Chairperson, determines the frequency and duration of the Committee meetings. Normally, the Committees meet four times in a year. The meetings of the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee last for the better part of a working day. Recommendations of the Committees are submitted to the full Board for approval. The quorum for meetings of the Committees is as per the requirements of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- As per the Board's current assessment, you will be the Chairman / member of the all or / any of the following Board Committees:

Audit Committee
Stake Holders Relationship Committee
Corporate Social Responsibility Committee
Nomination and Remuneration Committee
Risk Management Committee

The Board of Directors has authority to make changes in the composition of the Committees of Directors and accordingly your membership is liable to change. You may be appointed on any other Committees of Directors.

5. Role on the Board

You are expected to provide your expertise and experience *inter alia* in the fields of strategic planning, business planning and development, risk management and other matters brought before the Board/its committees. You are expected to invest your time for preparatory work and travel and ensure that you are in a position to make the necessary overall time commitment and positive contribution to the deliberations at the meetings of the Board/its committees.





6. Duties and Liabilities

- Your duties, responsibilities and liabilities as Independent Director shall be governed by the applicable laws, rules, regulations, the Listing Regulations, 2015, Company's policies and Articles of Association of the Company.
- The laws that currently govern the duties, responsibilities and liabilities of an Independent Director are contained in the Companies Act, 2013 (including Rules there under) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, some of which are specifically outlined below:
 - a) Section 166 of the Companies Act, 2013, which lays down the duties of the Directors, including Independent Directors.
 - b) Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable to Independent Directors.
 - c) The Code for Independent Directors as contained in Schedule IV to the Companies Act, 2013.
 - d) You are required to make disclosure of your interest as per the requirements of Section 184 of the Companies Act, 2013 and not participate in the discussion in a meeting on any business in which you are interested.
- You will be held liable only in respect of such acts of omission or commission by the Company which have occurred with your knowledge, attributable through Board processes, and with your consent or Convenience or where you have not acted diligently.
- You shall not serve as an Independent Director in more than seven listed companies. If you are a whole-time Director/Managing Director in any listed company, you may serve as Independent Director in not more than three listed companies.
- It may be noted that under Section 167 (1) (b) of the Companies Act, 2013 the office of a Director shall become vacant in case he absents himself from all the meetings of the Board held during a period of twelve months with or without seeking leave of absence of the Board.

7. Professional Conduct:

As an Independent Director, you shall:

- a. uphold ethical standards of integrity and probity;
- b. act objectively and constructively while exercising your duties;
- c. exercise your responsibilities in a bona fide manner in the interest of the Company;





- d. devote sufficient time and attention to your professional obligations for informed and balanced decision-making;
- e. not allow any extraneous considerations that may vitiate your exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision-making;
- f. not abuse your position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- g. refrain from any action that could lead to a loss of your independence;
- h. ensure that if circumstances arise under which you may lose your independence, you will immediately inform the Board accordingly;
- i. Assist the Company in implementing the best corporate governance practices.

8. Code of Conduct and Ethics

- You will follow the Company's Code of Conduct and Ethics and furnish an annual affirmation of the same.
- You will apply the highest standards of confidentiality and not disclose to any person (whether during the course of your tenure as Independent Director or at any time after its cessation) any confidential information concerning the Company or any persons which may come to your knowledge/into your possession by virtue of your position as a director, except as required or permitted by law or with prior clearance from the Chairman.

9. Time Commitment

Considering the nature of the role of a director, it is difficult for a company to lay down specific parameters on time commitment. You agree to devote such time as is prudent and necessary for the proper performance of your role, duties and responsibilities as an Independent Director.

10. Prohibition on Insider Trading/ Forward Dealings

- You will follow the Company's Code of Conduct for Prevention of Insider Trading and requirements under the Companies Act, 2013 and SEBI Regulations, which *inter alia* require that price-sensitive information relating to the Company is not used or transmitted and is maintained securely.
- You should not make any statements that might risk a breach of these requirements without prior clearance from the Chairman/WTD of the Company or the Company Secretary.
- You should not discuss the deliberations at meetings of the Board or any Committee thereof with any third parties or disseminate any such deliberations or decisions made at any such meeting.





- Section 194 of the Companies Act, 2013 prohibits a Director from making forward dealings in the securities of the Company or its holding, subsidiary or associate companies and Section 195 prohibits a Director from entering into any insider trading in the Company's securities.

11. Separate meetings of Independent Directors:

In term of requirements of Schedule IV of the Companies Act, 2013 and Regulation 25 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. provides that the Independent Directors of the Company shall hold at least one meeting in a year without the attendance of non-Independent Directors and members of management. All the Independent Directors of the Company are required to strive to attend such meetings. In such meetings, the Independent Directors shall, *inter alia*, review the performance of non- Independent Directors and the Board as a whole; review the performance of the Chairperson of the Board, taking into account the views of Executive Directors and non-Executive Directors; and assess the quality and quantity of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

12. Evaluation Processes

The Company has adopted a policy on Board Evaluation. The policy provides for evaluation of all Directors, including the Chairman of the Board. As per the Policy, the Company will carry out an evaluation of the performance of all the Directors on an annual basis. Your appointment and re appointment on the Board shall subject to the outcome of the yearly evaluation process.

13. Conflict of Interest

- It is accepted and acknowledged that you may have business interests other than those of the Company. As a condition to your appointment commencing, you are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of your appointment.
- In the event that your circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead the Board to revise its judgment that you are independent, this should be disclosed to both the Chairman and the Secretary.

14. Confidentiality

- All information acquired during your appointment is confidential to Scan Steels Limited and should not be released, either during your appointment 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 regulatory body. Your attention is also drawn to the requirements under the applicable regulations and the Scan Steels Limited Code which concern the disclosure of price sensitive information and dealing in the securities of Scan Steels Limited. Consequently, you should avoid making any statements or performing any transactions that might risk a breach of these requirements without prior clearance from the Chairman/ WTD of the Company.





15. 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.

16. Changes of personal details

During the term, you shall promptly intimate the Company Secretary and the Registrar of Companies in the prescribed manner, of any change in address or other contact and personal details provided to the Company.

17. Termination

- You may resign from your position at any time and should you wish to do so, you are requested to serve a reasonable written notice on the Board.
- 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 and/or on non-compliance of any applicable rules and regulation.

18. Technology

- You may give your consent by advance notification to the Chairman or Company Secretary to participate in any meetings of the Board or Committee of Directors, when necessary, through video conferencing or other audio-visual means, except for matters not to be so dealt under the Companies Act, 2013.
- When necessary, you can also participate through telephone, electronic mail or any other technology which permits you to communicate with every other Director, though such participation would not be reckoned as attending meetings under the Companies Act, 2013 except as provided for otherwise in the said Act and Rules there under.

19. Remuneration and Reimbursement of Expenses

- You will be entitled to sitting fee for attending the meetings of the Board and of the Committees thereof either personally or through video conference or other audio-visual means as may be decided by the Board of Directors. The fee payment shall be subject to applicable tax deduction at source. The sitting fees presently paid to the Non-Executive Independent Director is Rs. 1000/- per meeting of the Board.
- You will be entitled to reimbursement of expenses incurred by you for participation in the Board, Committee and members' meetings.
- As provided in Section 149 (9) of the Companies Act, 2013, you will not be entitled to any stock option which may be offered by the Company.





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20. General

- All the terms as mentioned above including your appointment, remuneration, professional conduct, role and functions, duties and evaluation shall be governed by the Companies Act, 2013 and Rules made thereunder and Corporate Governance requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
- This letter and any other non-contractual obligations arising out of or in connection with this letter and your Directorship are governed by and shall be construed in accordance with the laws of India and the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to the exclusive jurisdiction of the Courts of Cuttack, Odisha, India.
- In line with the provisions of Schedule IV to the Act, your individual letter of appointment will be open for inspection by any member and the Company will also post the generic copy of this letter on the Company's website.

We look forward to your continued valued participation in the Board/Committees' deliberations and successful guidance to the Company.

Please confirm your acceptance of the letter by signing and returning the second copy of this letter.

Yours faithfully,
For SCAN STEELS LIMITED

Ankur Maddan
Whole-Time Director
DIN: 07002199

I confirm, accept and agree to the terms of my appointment as an Independent Director as set out in this letter.

Konika Poddar
Independent Director
DIN: 10435224



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