DRAFT LETTER OF APPOINTMENT OF INDEPENDENT DIRECTOR

25.05.2026

Dr. Shanti Lal Sarnot
B-66, Second Floor, Sarvodaya
Enclave, New Delhi-110017

Dear Sir,

Sub: Re-appointment as Non-Executive Independent Director under the Companies Act, 2013

Please note that you were appointed as an Independent Director at the 40th Annual General Meeting held on August 01, 2022 for a period of 5 years effective from September 30, 2021 up to September 29, 2026.

The Board of Directors of the Company - **ELIN ELECTRONICS LTD** (hereinafter referred to as "the Company") in their meeting held on May 25, 2026, based on the recommendation of the Nomination and Remuneration Committee (NRC), recommended your re-appointment as a Non-Executive Independent Director of the Company for a second term of 5 consecutive years from September 30, 2026 up to September 29, 2031 subject to the approval of Members by way of Special Resolution. This letter of appointment sets out the terms of your re-appointment as an Independent Director.

Appointment:
You are hereby re-appointed as a Non-Executive Independent Director of the company (Independent Director) under Section 149 of the Companies Act, 2013.

The Independent Directors shall not hold office for more than two consecutive terms of upto 5 years each on the Board of the Company as per the provisions of the Companies Act, 2013. Your appointment for second term of 5 years shall be effective from September 30, 2026 up to September 29, 2031. The terms of appointment/re-appointment is attached as **Annexure I.**

Remuneration:

You will be paid such remuneration by way of sitting fee for attending meetings of the Board and its Committees as may be decided by the Board from time to time. The Sitting fee presently paid to Non-Executive Independent Director is as under:

S. No.	Type of Meeting	Amount
1.	Board Meeting	Rs.20,000/-
2.	Committee Meeting	Rs.10,000/-

In addition to the remuneration as mentioned above, the Company will reimburse incidental expenses incurred by you in performance of your role and duties.

Availability of Directors and Officers Liability Insurance:
The Company has Directors and Officers liability insurance and it is intended that it will maintain such insurance cover for the full term of your appointment.

Others terms and conditions:
The Independent Director shall abide by the 'Code of Independent Directors' as outlined in Schedule IV to Section 149(8) of the Companies Act 2013 and duties of directors as provided under Section 166 of Companies Act 2013. For your ready reference, the relevant provisions have been extracted and attached to this letter as **Annexure II.**

YOURS SINCERELY
FOR ELIN ELECTRONICS LTD.

Sd/-
Kamal Sethia
Managing Director

Encls: Annexure I and Annexure II

AGREE AND ACCEPT
I have read and understood the terms of my appointment as an Independent Director of the Company and I hereby affirm my acceptance to the same.

Dr. Shanti lal Sarnot
DIN: 01899198
{Insert Date}

ANNEXURE I – Terms of Appointment

1. **Committees**.

   The Board of Directors (the Board) may, if 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.

2. **Time Commitment**.

   As a non–executive Independent Director you are kindly expected to bring objectivity and independence of view to the Board's discussions. The Board meets at least four times in a year. The Audit committee meets at least four times in a year. Besides, there are other committee meetings like Nomination and Remuneration Committee, and Corporate Social Responsibility Committee meetings. You will be expected to attend Board, Board Committees to which you may be appointed as member and shareholders meetings and to devote such time, as appropriate for you to discharge your duties effectively.

3. **Role and Duties**.

   Your role and duties will be those normally required of a non – executive Independent Director under Section 166 of the Companies Act, 2013. There are certain duties prescribed by the 'Act' 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 / Companies Act, 2013
   II. Your shall act in good faith in order to promote the object 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.
   V. You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates and if such director is

found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.

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

VII. If a director is of the company contravenes the provisions of this section such director shall be punishable with fine, which shall not be less than one lakh rupees but which may extend to five lakh rupees.

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

Strategy: Non- Executives Director 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 the financial controls and systems of risk management are robust and defensible;

People: Non Executives 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 initiative for the processes for accurately reporting of performance and the financial position of the Company; and

Compliance: Non–Executive Directors should keep governance and compliance with the applicable legislation and regulations under review and the conformity of the Company practices to accepted norms**.**

4. Status of appointment.

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

5. Conflict of Interest.

5.1 It is accepted and acknowledged that you 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 Board in writing in the prescribed form at the time of your appointment.

5.2 In the event that your circumstances seem likely to change and might give rise to a conflict of interest, this should be disclosed to the Board of Directors of the Company.

6. Confidentiality.

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

7. Independent Professional Advice.

There may be occasions when you consider that 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 advisers at the Company s expense in consultation with the Board. The company will reimburse the cost expenditure incurred in accordance with the company's policy.

8. 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 not 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.

9. Code of conduct.

During the appointment you are required to comply with the Code of Conduct for Independent Directors as provided in Schedule IV to the Companies Act, 2013, which is enclosed as Annexure 'A'. You are also requested to give a declaration that you meet the criteria of 'independence' at the first meeting of the Board in every financial year pursuant to the provisions of Section 149(7) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 as amended from time to time.

You are also required to abide by

(a) Company's Code of Conduct for Directors and Senior Management (Annexure 'III').
(b) Company's Code of Conduct for Prevention of Insider Trading (Annexure 'IV').

10. Termination

a) You may resign from your position at any time should you wish to do so, you are requested to serve a reasonable written notice on the board.

b) Continuation of your appointment is in accordance with provision of Company Act 2013, Rules made their under and the Article of Association of the company from time to time in force.

c) Your appointment may also be discontinued in accordance with the provision of the Articles of Association of the company and the provision of Companies Act 2013 and Rules made there under as amended from time to time.

11. Governing Law:

This document is governed by and will be interpreted in accordance with Indian Law and your engagement shall be subject to the jurisdiction of Indian Courts.

ANNEXURE II –SHEDULE IV of the Companies Act, 2013

CODE FOR INDEPENDENT DIRECTORS

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of independent directors.

I. **Guidelines of professional conduct:**

An independent director shall:

(1) uphold ethical standards of integrity and probity;

(2) act objectively and constructively while exercising his duties;

(3) exercise his responsibilities in a bona fide in the interest of the company;

(4) devote sufficient time and attention to his professional obligation for informed and balance decision making;

(5) not allow any extraneous considerations that will vitiate his exercise of objective independent judgement in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;

(6) not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;

(7) refrain from any action that would lead to loss of his independence;

(8) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;

(9) Assist the company in implementing the best corporate governance practices.

II. Role and functions:

The independent directors shall:

(1) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standard of conduct;
(2) bring an objective view in the evaluation of the performance of board and management;
(3) scrutinize the performance of management in the meeting agreed goals and objectives and monitor the reporting of performance;
(4) satisfy themselves on the integrity of financial information and that financial controls and the system of risk management are robust and defensible;
(5) safeguard the interests of the all stakeholders, particularly the minority shareholders;
(6) balance the conflicting interest of the stakeholders;
(7) determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal executive directors, key managerial personnel and senior management;
(8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

III. **Duties:**

The independent directors shall-

(1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
(2) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
(3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
(4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
(5) strive to attend the general meetings of the company;
(6) where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and , to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
(7) keep themselves well informed about the company and the external environment in which it operates;
(8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
(9) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;

(10) ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;

(11) report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy;

(12) acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;.

(13) not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by the law.

IV. Manner of appointment:

(1) Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall insure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the board to discharge its functions and duties effectively.

(2) The appointment of independent director(s) of the company shall be approved at the meeting of shareholders.

(3) The explanatory statement attached to the notice of the meeting for approving the appointment of independent directors shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfils the condition specified in the Act and the rules made thereunder and that the proposed director is independent of the management.

(4) The appointment of independent directors shall be formalized through a letter of appointment, which shall set out:

(a) the term of appointment;

(b) the expectation of the Board from the appointed director, the Board- level committee(s) in which the director is expected to serve and its tasks;

(c) the fiduciary duties that come with such an appointment along with accompanying liabilities;

(d) provision for Directors and officers (D and O) insurance, if any;

(e) the Code of Business Ethics that the company expects its directors and employees to follow;

(f) the list of actions that a director should not do while functioning as such in the company; and

(g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, If any.

(5) The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the company by any member during normal business hours.

(6) The terms and conditions of appointment of independent directors shall also be posted on the company's website.

V. **Re-appointment**:

The reappointment of independent director shall be on the basis of report of performance evaluation.

VI. **Resignation or removal**:

(1) The resignation or removal of independent director shall be in the same manner as is provided in sections 168 and 169 of the Act.
(2) An independent director who resigns or is removed from the Board of the company shall be replaced shall be replaced by a new independent director within three months from the date of such resignation or removal, as the case may be.
(3) Where the company fulfils the requirement of independent directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

VII. **Separate meetings**:

(1) The independent directors of the company shall hold at least one meeting in a year, without the attendance of non- independent directors and members of management;
(2) All the independent directors of the company shall strive to be present at such meeting;
(3) The meeting shall:
   a) review the performance of non- independent directors and the Board as a whole;
   b) review the performance of the Chairperson of the company, taking into account the views of executive directors and non- executive directors;
   c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

VIII. **Evaluation mechanism**:

(1) The performance evaluation of independent directors shall be done by the entire Board of Directors excluding the director being evaluated.
(2) On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.