

Nilkamal Limited

DRAFT

AGREEMENT WITH MANAGING DIRECTOR

(to be executed on Non-judicial Stamp Paper of appropriate value)

AN AGREEMENT made this _____ day of _____ 2025

BETWEEN

Nilkamal Limited, a Public Limited Company incorporated under the Companies Act, 1956 and having its Registered Office at Survey No. 354/2 and 354/3, Near Rakholi Bridge, Silvassa – Khanvel Road, Vasona, Silvassa – 396 230, Union Territory of Dadra & Nagar Haveli hereinafter referred to as “the Company” (which expression shall unless it be repugnant to the meaning or context thereof mean and include its successors and assigns) of the One Part;

AND

Mr. Hiten V. Parekh, son of Mr. Vamanrai V. Parekh residing at 36, Naman, 11th Road, Jai Hind Society, J.V.P.D Scheme, Vile Parle (W), Mumbai – 400049 (hereinafter referred to as the “Managing Director” of the Other Part);

WHEREAS Mr. Hiten V. Parekh joined the services of the erstwhile NILKAMAL on December 5, 1985;

AND WHEREAS Mr. Hiten V. Parekh was last re-appointed as Executive Director, designated as Managing Director of the Company for a period of 5 years by passing a Special Resolution at the Annual General Meeting held on August 14, 2020 with effect from April 1, 2020;

AND WHEREAS Mr. Hiten V. Parekh is eligible for re-appointment as the Executive Director, designated as Managing Director of the Company for the further term of five years in terms of the provisions of Sections 196, 197, 203 and Schedule V to the Companies Act, 2013;

AND WHEREAS the Board of Directors (“**Board**”) at its meeting held on March 26, 2025, as per recommendation made by the Nomination and Remuneration Committee (“**NRC**”), re-appointed Mr. Hiten V. Parekh as the Executive Director, designated as Managing Director of the Company for a period of five years with effect from April 1, 2025 to March 31, 2030 (both days inclusive), liable to determination for retirement by rotation, on the terms & conditions including remuneration as specified hereunder and pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and all other applicable provisions, if any of the Companies Act, 2013 (the “**Act**”) and rules made thereto, subject to the approval of members of the Company.

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

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

- I. Subject to the approval of the members, the Company hereby appoints Mr. Hiten V. Parekh as the Executive Director, designated as Managing Director of the Company and the Managing Director agrees to act as such for a further period of five years with effect from April 1, 2025 to March 31,

2030 (both days inclusive), liable for retirement by rotation, on the terms and conditions including remuneration as provided hereinafter.

- II. The Managing Director shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board from time to time. Subject to the supervision and control of the Board, the Managing Director be entrusted with substantial powers of management which are in connection with and in the best interests of the business of the Company and the business of any one or more of its associated companies and/or subsidiaries and/or joint venture companies including performing duties as assigned by the Board from time to time by serving on the boards of such associated companies and/or subsidiaries and/or joint venture companies or any other executive body or any Committee of such a Company.
- III. The Managing Director shall not, except in the proper course of performance of his duties during or at any time after the period of his employment or as may be required by law, divulge to any person whatever or otherwise make use of and shall use his best endeavours to prevent the publication or disclosure of any confidential information of the Company or any of its subsidiaries or associated or joint venture companies or any of its or their suppliers, agents, distributors or customers.
- IV. The office of the said Managing Director shall be liable to determination for retirement by rotation pursuant to the provisions of the Companies Act, 2013 and the Articles of Association of the Company.
- V. The Managing Director has to comply with the Company's Code of Conduct for Board of Directors and Senior Management Personnel, Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons, as amended from time to time.
- VI. Mr. Hiten V. Parekh acknowledges that the Securities of the Company are listed on recognized stock exchanges. He hereby admits and acknowledges that he will be regarded as an insider and connected person of the Company pursuant to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 (the "**SEBI PIT Regulations**") as amended from time to time. He agrees, undertakes and covenants that during the term of this Agreement, he shall not directly or indirectly transact in the Securities of the Company in breach of applicable provisions of the SEBI PIT Regulations and the code of conduct adopted by the Company under those regulations.

Without prejudice to the general powers 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, that is to say, the powers:

1. To enter into, carry out and perform all contracts, including registration, on behalf of the Company, in the ordinary course of business and to sign and execute the same; and wherever required in accordance with the provisions of the articles of association of the Company;
2. To do acts relating to Business strategies and to manage Brand, R&D, Marketing and Supply Chain towards achieving goals set;
3. To do acts relating to administrative, accounting, banking, human resources and personnel matters;
4. To do acts relating to legal, taxation, arbitration, regulatory and government matters;
5. To purchase, take on lease, hire or rent any movable or immovable properties, including capital

equipment required for the purpose of business of the Company on such terms and conditions as the Managing Director may think fit;

6. 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;

7. To do acts concerning investments and insurance, subject to such ceilings and conditions as may be specified by the Board of Directors from time to time;

8. To appoint, remove and/or re-appoint bankers, solicitors, advocates, accountants, architects, valuers, engineers, mechanics and other experts, consultants and advisers of the Company upon such terms as the Managing Director may think fit;

9. 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;

10. To carry out any resolution of the Board of Directors;

11. 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 by the Managing Director;

VII. The Company shall pay to the Managing Director for performing his duties and functions as from April 1, 2025 the consideration as provided hereunder:

A. Basic Salary:

Basic Salary in the scale/range of Rs. 13,50,000/- to Rs. 20,00,000/- per month, during his tenure of office. The annual increments which will be effective 1st April each year, will be decided by the Nomination and Remuneration Committee and the Board of Directors of the Company.

B. Perquisites and Allowances:

i. House Rent Allowance not exceeding 50% of the basic salary per month.

ii. Leave travel allowance at one month's basic salary.

iii. The Company shall provide suitable conveyance facilities.

iv. The Company shall provide telephone, telefax and other communications facilities including at the residence.

v. Medical expenses incurred for self and family in India or abroad including hospitalization, nursing home and surgical charges and in case of medical treatment abroad, the airfare and boarding / lodging expenses for patient and attendant.

vi. Membership fees/ subscription subject to a maximum of 2 clubs.

vii. Contribution to Provident fund, Superannuation fund, National Pension Scheme or Annuity fund and Gratuity fund as per the Rules of the Company.

viii. Leave encashment of unavailed leaves as per the Rules of the Company.

ix. Such other perquisites and allowances as per the policy/rules of the Company in force and/or as may be approved by the Board from time to time.

C. Commission:

Commission to the extent of 1% of the net profit of the Company over and above the net profits of Rs. 50.00 Crores for each financial year as calculated under Section 198 and such other applicable provisions, if any, of the Companies Act, 2013.

D. Valuation of perquisites:

Perquisites shall be valued as per the Income Tax Rules, wherever applicable, and in the absence of any such rules, it shall be valued at actual cost.

E. Computation of ceiling:

The contribution to provident fund, gratuity and encashment of leave shall not be included in the computation of perquisites for the purposes of ceiling to the extent these are not taxable under the Income-tax Act, 1961.

F. Minimum Remuneration:

In the event of loss or inadequacy of profits in any financial year during the tenure of the appointment, the Mr. Hiten V. Parekh shall be paid remuneration by way of salary, perquisites and allowances, and commission as set out above, as minimum remuneration, subject to restrictions, if any, set out in Schedule V to the Act, from time to time.

Further, in accordance with Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, he shall be paid the above remuneration even if the compensation payable to him in any year exceeds Rs. 5 crores or 2.5% of the net profits of the Company, whichever is higher or the aggregate annual remuneration of all the Executive Directors exceeds 5% of the net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013, during his tenure.

- VIII. If before the expiration of the said term, the tenure of office of the Managing Director is determined, the Managing Director shall be entitled in accordance with and subject to the provisions of the Companies Act, 2013 in that behalf, to compensation from the Company for the loss of office.
- IX. If Mr. Hiten V. Parekh shall be prevented by ill health or accident or any disability from performing his duties as the Managing Director under or pursuant to this Agreement, he shall inform the Company promptly and provide with such information as the Company may reasonably require and if he shall be unable by reason of his ill health, accident or such disability for a consecutive period of not less than 150 consecutive days in the period of twelve consecutive calendar months to perform his duties as Managing Director hereunder then the Company may at its discretion terminate his employment by giving to him ninety days prior notice in writing and the Company shall not have any obligation to pay any amounts provided under clause VII hereof, in the event that the Managing Director has been unable to perform his duties due to a Disability that has continued for a consecutive period of 150 days. For the purposes of this section, "Disability" means the lack of qualification to act (including, without limitation, as a result of idiocy, lunacy, minority and insolvency) or the physical inability to act (including, without limitation, as a result of illness).
- X. The Company shall be entitled to terminate the employment of Mr. Hiten V. Parekh as a Managing Director under the Agreement upon the happening of any of the following:

- i. Committing a breach of any of the terms, provisions or covenants contained in this Agreement;
- ii. Violation of the Company's Code of Conduct;
- iii. Conviction for an offence involving moral turpitude;
- iv. Any gross or wilful negligence of his duties.

In each of the above cases, any such termination shall be as decided by the Nomination and Remuneration Committee and/or the Board of Directors of the Company.

- XI. Notwithstanding anything to the contrary herein contained, either party shall be entitled to terminate this Agreement at any time by giving to the other party not less than ninety days prior notice in writing in that behalf, without the necessity of showing any cause. On the expiry of the period of such notice, this Agreement shall stand terminated and Mr. Hiten V. Parekh shall cease to be the Managing Director of the Company.
- XII. Upon termination of Mr. Hiten V. Parekh employment with the Company, whether due to efflux of time or otherwise, Mr. Hiten V. Parekh shall hand over his charge to such person as may be nominated by the Board of Directors in this behalf.
- XIII. The Managing Director shall be entitled to reimbursement of all expenses, which may be incurred by him for and on behalf of the Company.
- XIV. The terms and conditions of appointment contained hereinabove may be altered or varied by the Board in such manner as it may deem fit and as is acceptable to the Managing Director.
- XV. No regulation made by the Company in a general meeting or a resolution passed by the Board of Directors shall invalidate any prior act of the Managing Director of the Company, which would have been valid if the regulation or resolution had not been made or passed.
- XVI. Any provision of this Agreement, which is invalid or unenforceable, shall be ineffective to the extent of such invalidity or unenforceability, without affecting in any way the remaining provisions of this Agreement. Each and every obligation under this Agreement shall be treated as a separate obligation and shall be severally enforceable as such.
- XVII. No alteration or amendment of this Agreement shall be valid, binding or enforceable on the parties hereto unless made in writing and signed by or on behalf of both the parties hereto.
- XVIII. In the event of any dispute or difference at any time arising between the Company and the Managing Director in respect of this agreement or the several matters specified herein or with reference to anything out of or incidental thereto, such dispute or difference shall be submitted to and be decided by arbitration of two arbitrators, one to be appointed by each party to the dispute or difference, which arbitrators shall appoint an umpire before taking upon themselves the burden of the reference and this agreement shall be deemed to be submission to the Arbitration and Conciliation Act, 1996 and all the provisions of that Act (except as is hereby expressly varied) shall be deemed to apply to any reference thereunder.

XIX. The Courts of Mumbai shall have the exclusive jurisdiction over all proceedings arising out of or in connection with this Agreement.

IN WITNESS WHEREOF the parties hereto have set their hands the day, month and the year first hereinabove mentioned.

for and on behalf of the company
Nilkamal Limited

Mr. Sharad V. Parekh

Chairman

Place:

Date:

Mr. Hiten V. Parekh

Managing Director

Place:

Date:

Witness:

1.

2.