

DRAFT

AGREEMENT BETWEEN

VINDHYA TELELINKS LIMITED

AND

SHRI YASHWANT SINGH LODHA

MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER

**AGREEMENT BETWEEN
VINDHYA TELELINKS LIMITED
AND
SHRI YASHWANT SINGH LODHA**

AN AGREEMENT made at _____ this _____ day of _____, Two Thousand Twenty between VINDHYA TELELINKS LIMITED, a Public Limited Company within the meaning of the Companies Act, 2013 having Corporate Identity No. L31300MP1983PLC002134 and having its Registered Office at Udyog Vihar, P.O. Chorhata, Rewa – 486 006 (M.P.) (hereinafter referred to as "the Company") of the ONE PART

AND

SHRI YASHWANT SINGH LODHA (DIN:00052861) residing at Flat No.B-802, K.M. Apartments, Plot No.12, Sector-12, Dwarka, New Delhi-110 075 (hereinafter referred to as "Shri Y.S. Lodha") of the OTHER PART .

The Company and Shri Y.S. Lodha are hereinafter collectively referred to as "parties" and individually as "party".

WHEREAS the Board of Directors of the Company at its meeting held on 1st June, 2020 have re-appointed Shri Y.S. Lodha as Managing Director & Chief Executive Officer of the Company for a further period of 5 (Five) consecutive years with effect from 4th November, 2020 on the terms and conditions including remuneration comprising of Basic Salary, Variable Performance Linked Incentive, Allowances, perquisites and benefits, etc. payable to him as determined and approved by the Nomination and Remuneration Committee of the Board of Directors in its meeting held on 30th May, 2020 and as contained in the draft of the Agreement expressed to be made between the Company and Shri Y.S. Lodha subject to the approval of the Company in General Meeting under the relevant provisions of the Companies Act, 2013.

AND WHEREAS the aforesaid re-appointment, terms of remuneration and other conditions have been approved and confirmed by the Company as per the Special Resolution passed by the shareholders in that behalf at the 37th Annual General Meeting of the Company held on _____, the _____, 2020.

AND WHEREAS accordingly the parties hereto are executing this agreement for re-appointment and payment of remuneration to Shri Y.S. Lodha, Managing Director & Chief Executive Officer in terms of the approval granted by the Company for the said period of 5 (Five) consecutive years i.e. from 4th November, 2020 to 3rd November, 2025.

NOW THIS AGREEMENT WITNESSETH AND IT IS HEREBY AGREED AND DECLARED BY AND BETWEEN THE PARTIES AS FOLLOWS:-

- 1.0 The Company re-appoints Shri Y.S. Lodha as its Managing Director & Chief Executive Officer and Shri Y.S. Lodha agrees to act as Managing Director & Chief Executive Officer of the Company for a period of 5 (Five) consecutive years with effect from 4th November, 2020 subject nevertheless to the said re-appointment being previously determined in pursuance of the provisions of this Agreement or of the Articles of Association of the Company. The re-appointment of Shri Y.S. Lodha as Managing Director & Chief Executive Officer may be renewed further subject to the approval of the Company, if necessary, and upon such terms and conditions as may be agreed upon by the parties hereto.

2.0 During the said period of his employment hereunder, Shri Y.S. Lodha shall, devote his such 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 and exercise such powers as may be assigned to him, subject to superintendence, control and direction of the Board of Directors in connection with and in the best interests of the business of the Company and the business of any one or more of its Subsidiaries and Associate Companies. However, he may hold Directorships in other companies and provide services to other group companies, bodies, institutions or trust/societies or any other executive body or any committee of such companies/bodies or institutions or trust/societies, if permissible under applicable laws.

Subject to the superintendence, control and direction of the Board of Directors of the Company, and the provisions of Memorandum and Articles of Association and the regulation made by the Company in General Meetings and the restrictions imposed by the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof or amendment(s) thereto), Shri Y.S. Lodha shall be entrusted with substantial powers of management of affairs of the Company read with Explanation to Section 2(54) of the Companies Act, 2013, as amended from time to time. Shri Y.S. Lodha shall, devote his such time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board of Directors from time to time and exercise such powers as may be assigned to him in connection with and in the best interests of the business of the Company. PROVIDED always that Shri Y.S. Lodha shall not exercise any of the following powers –

- 2.1 to make calls on shareholders in respect of money unpaid on their shares;
- 2.2 to authorise buy-back of securities under section 68 of the Companies Act, 2013;
- 2.3 to issue securities, including debentures, whether in or outside India;
- 2.4 to borrow monies, unless the powers in this respect are expressly delegated to him by Board of Directors;
- 2.5 to invest the funds of the Company, unless the powers in this respect are expressly delegated to him by Board of Directors;
- 2.6 to grant loans or give guarantee or provide security in respect of loans, unless the powers in this respect are expressly delegated to him by Board of Directors;
- 2.7 to approve financial statement and the Board's report;
- 2.8 to diversify the business of the Company;
- 2.9 to approve amalgamation, merger or reconstruction;
- 2.10 to take over a company or acquire a controlling or substantial stake in another Company;

- 2.11 such powers and authorities which have been specifically entrusted to or conferred on certain Director(s) as per resolution passed by the Board of Directors of the Company; and
- 2.12 The Managing Director & Chief Executive Officer shall not have the powers which are to be exercised by the Board of Directors and the Company in General Meeting(s) only as provided under the Companies Act, 2013 and rules made thereunder.
- 3.0 The Company shall pay to Shri Y.S. Lodha during the subsistence of this Agreement in consideration of performance of his duties as the Managing Director & Chief Executive Officer the following remuneration, perquisites and other benefits, viz.
- 3.1 **Basic Salary:** Rs.8,10,000/- (Rupees Eight Lakhs Ten Thousand only) per month with such annual increments which will be effective from 1st July each financial year (commencing from 1st July, 2021), as may be approved by the Board of Directors of the Company based on the recommendation/approval of the Nomination and Remuneration Committee.
- 3.2 **Performance Linked Incentive/Special Allowance:** Such amount as may be considered appropriate from time to time and approved by the Board of Directors based on the recommendation/approval of the Nomination and Remuneration Committee, for each financial year. The payment may be made on a prorata basis monthly/ quarterly/half years or on an annual basis at the discretion of the Board.
- 3.3 **Other Allowances, Benefits and Perquisites:** In addition to the Basic Salary, Performance Linked Incentive/Special Allowance as outlined above, the Managing Director & Chief Executive Officer shall be entitled to other allowances, benefits and perquisites as under:
- 3.3.1 **House Rent Allowance (HRA):** HRA at the rate of 40% of the Basic Salary. In addition, the expenditure incurred on furnishings, repairs/upkeep and maintenance, society charges and utilities (e.g. gas, fuel, electricity, water charges, etc.) of residential accommodation shall be reimbursed on actual basis.
- 3.3.2 **Medical Benefits:** Healthcare/medical allowance and reimbursement of/payment towards mediclaim/medical insurance premium and Personal Accident Insurance Premium in accordance with Rules of the Company.
- 3.3.3 **Leave Travel Allowance/Concession:** For self and family, once in a year, in accordance with Rules of the Company.
- 3.3.4 **Club Fees:** Payment/reimbursement of club fees for not more than two clubs in India, excluding admission and life membership fees.
- 3.3.5 **Contribution to Provident Fund, Pension, Superannuation Fund and National Pension Scheme:** As per Rules framed under the Company's relevant schemes/policies while ensuring compliances with the applicable statutory provisions, if any, from time to time.

- 3.3.6 **Gratuity:** As per Rules of the Company and applicable statutory provisions from time to time.
- 3.3.7 **Leave Encashment:** Leave with full pay and allowances with all benefits and amenities as per Rules of the Company. Accumulation/ encashment of unavailed earned privilege leave will be permissible in accordance with Rules of the Company.
- 3.3.8 **Other Perquisites, benefits & Allowance(s):** As per Rules of the Company which are applicable to other senior employees of the Company unless specifically provided herein and/or as may be decided by the Board of Directors based on approval, if any, accorded by the Nomination and Remuneration Committee.
- 3.3.9 **Car/Communication Facilities:** The following shall not be included in the computation of perquisites –
- (a) Provision of Company's Car with driver for official use.
 - (b) Provision of or reimbursement towards telecommunication facilities including internet/ broadband connectivity, etc. at office and residence.

Explanation(s):

- (a) The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of the Income Tax Act, 1961 and rules framed thereunder or any statutory modification(s) or re-enactment(s) thereof. In the absence of any such rules, perquisites and allowances shall be evaluated at actual cost. Income Tax along with surcharge and/or cess thereon in respect of above remuneration shall be deducted at source as per the governing provisions of the Income Tax Act, 1961 and rules made thereunder.
- (b) The Company's contribution to provident fund, pension, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961, gratuity payable at a rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of the tenure, as per the relevant rules of the Company, shall not be included in the computation of the ceiling on remuneration as prescribed under Schedule V of the Companies Act, 2013, as amended from time to time.
- (c) For the purpose of payment of gratuity, Company's contribution to superannuation fund and leave encashment benefits, the services of Shri Y.S. Lodha will be considered continuous service with the Company from the date he joined the services of associate/sister concern(s)/group company or this Company in any capacity from time to time and termination of the Agreement followed by immediate renewal(s) thereof or execution of a fresh Agreement, will not be considered as any break in service.

- (d) The Managing Director & Chief Executive Officer shall be entitled to be paid/reimbursed by the Company all travelling, boarding and lodging during business trips, business promotion and other out-of-pocket expenses, costs, charges and expenses as may be incurred by him for the purpose of Company's work or on behalf of the Company or as may be approved by the Nomination and Remuneration Committee and/or the Board. Expenses including travelling, and lodging relating to spouse accompanying on any official domestic and overseas trip or other facilities, if any, shall be dealt with in accordance with the practices and rules of the Company as applicable from time to time. The Managing Director & Chief Executive Officer would also be entitled to any other benefits or privileges as per Personnel Policies of the Company including but not limited to Social/House loan(s) as per related Rules of the Company as applicable from time to time.
- 3.4 **Overall Remuneration:** The Board of Directors based on the recommendation/approval of the Nomination and Remuneration Committee and/or any other Committee constituted by the Board for the purpose is entitled to revise the remuneration payable to the Managing Director & Chief Executive Officer from time to time, as it may in its discretion deem fit, subject to limits, if any, specified in Section 197, Schedule V or elsewhere under the Companies Act, 2013 read with rules framed thereunder and/ or under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, in such manner as may be agreed to between the Board and the Managing Director & Chief Executive Officer, subject to such approvals, if so required.
- 3.5 **Remuneration to be paid in the event of loss or inadequacy of profits:** Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of tenure of the Managing Director & Chief Executive Officer, the Company has no profits or its profits are inadequate, the Company will pay him remuneration by way of Basic Salary, Allowances, Benefits, Perquisites and Incentives as specified above, subject to requisite approvals being obtained in that behalf, if and to the extent necessary or in the alternative payment of remuneration to the Managing Director & Chief Executive Officer as specified above shall be governed by the provisions as prescribed under Section II of Part II of Schedule V of the Companies Act, 2013 as may be in force at the relevant time.
- 3.6 The terms and conditions of the Agreement for appointment of Shri Y.S. Lodha as Managing Director & Chief Executive Officer of the Company may be altered, varied, modified or amended and/or remuneration payable to him (including salary, Performance Linked Incentive and/or Special Allowance, if any, allowances, perquisites and benefits) as set out herein may be increased/enhanced from time to time by the Board of Directors of the Company and/or the Nomination and Remuneration Committee as it may, at its discretion deem fit, irrespective of the limits

stipulated under Schedule V of the Companies Act, 2013 or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and the Managing Director & Chief Executive Officer, subject to such further approvals, if so required.

- 4.0 The headquarters of Shri Y.S. Lodha, Managing Director & Chief Executive Director will be at New Delhi/National Capital Region where he has to regularly stay for attending his duties.
- 5.0 In case Shri Y.S. Lodha is required to go or reside outside New Delhi in connection with the Company's work in his capacity as Managing Director & Chief Executive Officer, the Company shall bear all expenses for his lodging and boarding or Shri Y.S. Lodha may be reimbursed all expenses actually and properly incurred by him in the course of legitimate business of the Company.
- 6.0 As long as Shri Y.S. Lodha functions as the Managing Director & Chief Executive Officer of the Company, no sitting fees will be paid to him for attending the meetings of the Board of Directors or Committees thereof.
- 7.0 In addition to his present appointment as Managing Director & Chief Executive Officer of the Company, Shri Y.S. Lodha had also been appointed as "Managing Director & Chief Executive Officer" of a promoter Company viz. Universal Cables Limited. He would receive remuneration from the said promoter Company as well on holding the managerial position of "Managing Director & Chief Executive Officer", provided that subject to the provisions of Sections I to IV of Part II of Schedule V to the Companies Act, 2013, the total remuneration drawn by him from both the companies shall not generally exceed the higher of maximum limit admissible from any one of the companies of which he is a managerial person as prescribed under Section V of Part II of Schedule V to the Companies Act, 2013 subject to the overall ceiling as stipulated in Section 197 of the Companies Act, 2013 and related rules. Provided further that the remuneration/ minimum remuneration in excess of above limit may be paid once the approval is accorded by the members of the Company by way of Special Resolution for payment of remuneration, perquisites, benefits, etc. to Shri Y.S. Lodha in the capacity of Managing Director & Chief Executive Officer of the Company and compliance with other relevant terms and conditions as contained in Section I to V of Part II of Schedule V to the Companies Act, 2013 to the extent applicable in such case. Further, a disclosure has been submitted by him listing the companies and other entities where he is holding the office of Director of such companies and other entities and any addition or deletion therein shall be notified to the Company and Board of Directors of the Company within the time prescribed therefor.
- 8.0 Shri Y.S. Lodha shall subscribe to and abide by the Company's Code of Conduct for all Board members and Senior Management Personnel besides ensuring strict compliance/adherence with the Company's Code of Conduct for Prevention of Insider Trading as formulated pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.

- 9.0 Shri Y.S. Lodha shall not during the continuance of his employment with the Company or at any time thereafter, divulge or disclose to any person whomsoever or to make any use whatsoever for his own or any purpose other than that of the Company/its associate or sister concern(s) or joint ventures or a body corporate belonging to M.P. Birla Group, any information, knowledge or trade secrets or its methods obtained/acquired by him (in the course of or incidental to his employment hereunder) as to the business or affairs of the Company/its associate or sister concern(s) and shall use his best endeavours to prevent any other person from doing so. Shri Y.S. Lodha shall also not, without the consent of the Board of Directors or any Committee thereof, divulge or disclose the methods, systems or appliances, etc. pertaining to the manufacturing activity of the Company. However, such divulgence or disclosure by him to officers and employees of the Company/its associate or sister concern(s) for the purpose of business of the Company shall not be deemed to be contravention of this clause.
- 10.0 Shri Y.S. Lodha shall not be entitled to supplement his earnings with any buying or selling commission either directly or indirectly in any manner including through relatives as defined under the Companies Act, 2013 and rules made thereunder. He shall not, so long as he functions as the Managing Director & Chief Executive Officer of the Company, become interested or otherwise concerned directly or through his wife and/or children or any other member of the family in any selling agency of the Company without the prior approval of the Board and, if necessary as per law, of the Central Government. In case of contravention of such an undertaking the appointment of Shri Y.S. Lodha as Managing Director & Chief Executive Officer shall stand automatically terminated.
- 11.0 If Shri Y.S. Lodha be guilty of such inattention to or negligence in the conduct of the business of the Company or of misconduct or of any other act or omission inconsistent with his duties as Managing Director & Chief Executive Officer or any breach of this Agreement or without leave of absence shall absent himself from his duties (except on account of personal accident or illness), or in the event of liquidation of the Company (except for the purpose of reconstruction or amalgamation) or becomes disqualified to act as a Director for any reason including pursuant to the provisions of the Companies Act, 2013 or any other law for the time being in force (other than an inadvertent breach of Section 167 of the Companies Act, 2013) or failure through inadvertence or oversight to secure leave of absence from meetings of Directors (in either of which latter events he may be re-appointed as Director) or if he becomes insolvent or makes any composition or arrangement with his creditors then in any such case, the Company or Liquidator thereof, as the case may be, may forthwith by written notice to Shri Y.S. Lodha do determine this Agreement and he shall cease to be a Director and Managing Director & Chief Executive Officer of the Company. In the event of determination under this clause, Shri Y.S. Lodha shall be paid his remuneration upto the date of such determination and all other benefits which may have accrued to him upto the said date of determination.

- 12.0 Notwithstanding anything to the contrary contained herein, this Agreement may be terminated by either party (the Company or the Managing Director & Chief Executive Officer) by giving to other party six calendar month's prior notice in writing of such termination or the Company paying six month's remuneration (including allowances and perquisites/benefits and pro-rated performance linked incentive) in lieu of such notice to Shri Y.S. Lodha.
- 13.0 Subject to the provisions of the Companies Act, 2013, Shri Y.S. Lodha shall not while he continues to hold office of the Managing Director & Chief Executive Officer be subject to retirement by rotation of Directors and he shall not be reckoned as a Director for the purpose of determining the rotation or retirement of Director or in fixing the number of Directors to retire, but he shall *ipso facto* and immediately cease to be the Managing Director & Chief Executive Officer if he ceases to hold office of Director for any cause and vice versa.
- 14.0 Shri Y.S. Lodha during his tenure as the Managing Director & Chief Executive Officer of the Company shall also act in the capacity of the "Chief Executive Officer" (CEO) of the Company in relation to all certifications including in pursuance to the listing agreement(s) with stock exchanges or otherwise or as required under various applicable laws, rules, regulations, guidelines or central or provincial acts, etc. from time to time.
- 15.0 Shri Y.S. Lodha is not related to any other Director of the Company in terms of Section 2(77) read with Companies (Specification of definition details) Rules, 2014.
- 16.0 Any notice required to be given hereunder shall be sufficiently served upon Shri Y.S. Lodha by being sent to him by prepaid post at his last known place of abode in India and on the Company by being delivered or sent by post to its Registered Office. Every notice sent by post shall be deemed to have been served on the third day after and excluding the day of posting.
- 17.0 Shri Y.S. Lodha shall be considered as a Key Managerial Personnel pursuant to the provisions of Section 203 of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- 18.0 The Company shall indemnify Shri Y.S. Lodha and keep him indemnified against all costs, expenses, losses, damages, penalties that he may incur or suffer in the course of attending or performing the Company's work including legal costs and expenses incurred by him in defending any dispute or proceedings in any Court of Law, Arbitration, etc.
- 19.0 This Agreement shall be governed by and construed and interpreted under the laws of India exclusively. Any dispute or difference whatsoever arising between the Parties out of or relating to the construction, meaning, scope, operation or effect of this Agreement or the validity or the breach thereof shall be settled by arbitration in

accordance with the Rules of Arbitration of the Indian Council of Arbitration and the award made in pursuance thereof shall be binding on the Parties. Such arbitration proceedings shall be held at New Delhi and in English language.

20.0 This Agreement represents the entire Agreement between the Company and Shri Y.S. Lodha and supersedes the earlier Agreement(s), arrangements or understandings, if any, between the Company and Shri Y.S. Lodha, save as respects things done or omitted to be done before such supersession.

IN WITNESS WHEREOF the parties have hereto duly executed these presents the day and year first herein before written.

For Vindhya Telelinks Ltd.

(Y.S. Lodha)
(DIN : 00052861)

(_____
Director
(DIN: _____)

The Common Seal of VINDHYA TELELINKS LTD. is hereunto affixed pursuant to a Resolution of the Board of Directors of the Company passed on 1st day of June, 2020, in the presence of Shri _____ its Director and Shri Satyendu Pattnaik, Company Secretary, who have subscribed their respective signature hereto.

(Satyendu Pattnaik)
Company Secretary

(_____
Director
(DIN: _____)

Signed Sealed and Delivered by the within named SHRI YASHWANT SINGH LODHA in the presence of -

(Y.S. Lodha)
(DIN : 00052861)