GUJARAT VICTORY FORGINGS LIMITED

POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE

[ADOPTED BY BOARD ON 12TH, 2026]

DESCRIPTION OF DOCUMENT: *This document provides a brief description of the Policy for Selection of Directors and Determining Directors' Independence at Gujarat Victory Forgings Limited.*

Disclaimer: This document is the sole property of Gujarat Victory Forgings Limited; the contents of this document shall not be reproduced either partly or wholly without appropriate approvals from Gujarat Victory Forgings Limited

Registered Office: B. No. 1147, Old RS No. 1558, Village Manjusar, Lamdapura, Vadodara, Savli – 391775, Gujarat
Email: gvfpl@yahoo.com | **Website:** www.gvfpl.com | **Contact No.:** +91 98981 83313

TABLE OF CONTENTS

Sr. No.	Particulars	Page Number
1.	Introduction	1
2.	Scope and Exclusion	1
3.	Terms and References	1
4.	Selection of Directors	1
5.	Determining Directors' Independence	2
6.	Terms and Conditions of Appointment of Independent Directors	3
7.	Review and Amendments	9

Registered Office: B. No. 1147, Old RS No. 1558, Village Manjusar, Lamdapura, Vadodara, Savli – 391775, Gujarat
Email: gvfpl@yahoo.com | **Website:** www.gvfpl.com | **Contact No.:** +91 98981 83313

POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE

The following is the Policy for selection of Directors and determining Director's independence (the "Policy") adopted by Gujarat Victory Forgings Limited (hereinafter referred to as the Company) in accordance with the provisions of the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1. INTRODUCTION

The Company believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. Towards this, the Company ensures the constitution of a Board of Directors with an appropriate composition, size, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively.

The Company recognizes the importance of Independent Directors in achieving the effectiveness of the Board and aims to have an optimum combination of Executive, Non-Executive and Independent Directors.

2. SCOPE AND EXCLUSION

This Policy sets out the guiding principles for the nomination and remuneration committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as Independent Directors of the Company.

3. TERMS AND REFERENCES

In this Policy, the following terms shall have the following meanings**:**

3.1. "**Act**" means Companies Act, 2013, as amended.

3.2. "**Board**" or "**Board of Directors**" means the Board of Directors of the Company, as constituted from time to time.

3.3. "**Company**" means Gujarat Victory Forgings Limited.

3.4. "**Director**" means a director appointed to the Board of the Company.

3.5. "**Listing Regulations**" means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

3.6. "**Nomination and Remuneration Committee (NRC**)" means the Committee constituted by the Company's Board in accordance with the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations, as amended from time to time.

3.7. "**Independent Director**" means a director referred to in sub-section (6) of Section 149 of the Act, and Regulation 16 (1) (b) of the Listing Regulations.

4. POLICY FOR APPOINTMENT OF DIRECTORS ON THE BOARD

4.1. Qualifications and Criteria

4.1.1. The NRC, and the Board, shall review on an annual basis, the appropriate skills, expertise, competencies, knowledge and experience required of the Board as a whole and its members. The objective is to have a Board with diverse backgrounds and experience that are relevant to the Company's global operations.

4.1.2. In evaluating the suitability of individual Board members, the NRC may consider factors, such as:

- General understanding of the Company's business dynamics, global business and social perspective.
- Educational and professional background.
- Skills, expertise and competencies.
- Standing in the profession.
- Personal and professional ethics, integrity and values.
- Willingness to devote sufficient time and energy to carrying out their duties and responsibilities effectively.

4.1.3. The proposed appointee shall also fulfil the following requirements:

- Shall possess a Director Identification Number ("DIN") or any other identification number prescribed by the Central Government which shall be treated as a Director Identification Number for the purposes of the Act.
- Shall not be disqualified under the Act, or pursuant to any order of the Securities and Exchange Board of India or any other such authority.
- Shall give his written consent to act as a Director of the Company.
- Shall endeavour to attend all Board Meetings and wherever he/she is appointed as a Committee Member, the Committee Meetings.
- Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel.
- Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the board in which he/she participates as a director and thereafter at the first meeting of the Board in every financial year and whenever there is a change in the disclosures already made.
- Such other requirements as may be prescribed, from time to time, under the Articles of Association ("AOA") of the Company, the Act, the Listing Regulations and other relevant laws.

4.1.4. The NRC shall specify the manner for effective evaluation of the performance of the Board, its Committees and individual directors to be carried out either by the Board, by the NRC or by an independent external agency and review its implementation and compliance with the objective of having a group that best enables the success of the Company's business.

5. POLICY FOR SELECTION OF INDEPENDENT DIRECTORS AND DETERMINING THE DIRECTOR'S INDEPENDENCE

5.1. Criteria of Independence

5.1.1. The NRC shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall reassess determinations of independence when any new interests or relationships are disclosed by a Director.

5.1.2. The criteria of independence shall be, as laid down in the Articles of Association (AOA) of the Company, the Act, the Listing Regulations and other relevant laws, if any, as amended from time to time.

5.1.3. The Independent Directors shall abide by the "Code for Independent Directors" specified in Schedule IV, read with Section 149(8), of the Act, and duties of directors as provided in the Act and the Listing Regulations.

5.2. Other Directorships / Committee Memberships

5.2.1. The Board members are expected to have adequate time, expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as 3 directors of the Company.

5.2.2. The NRC shall consider the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

5.2.3. A Director shall not serve as Director / Independent Director in such number of companies as may be prescribed under Act, Listing Regulations and other relevant laws, if any.

5.2.4. A Director shall not be a member or act as Chairman of such number of companies as may be prescribed under the Act, Listing Regulations and other relevant laws, if any.

6. TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

The Terms and Conditions of the appointment of Independent Directors, are set out below which shall, in any event, be subject to the provisions of the Articles of Association (AOA) of the Company, the Act and the Listing Regulations.

6.1. Terms of Appointment

6.1.1. The appointment of an Independent Director will be for the period mentioned against their respective names ("Term") which shall not be more than 5 (five) consecutive years.

6.1.2. In compliance with provisions of Section 149 (13) of the Companies Act, 2013, Independent Directors are not liable to retire by rotation.

6.1.3. Re-appointment at the end of the term for another term of 5 (five) consecutive years shall be based on the recommendation of the NRC and subject to the approval of the Board and the shareholders. The re-appointment would be considered by the Board based on the outcome of the performance evaluation process and the Directors continuing to meet the independence criteria.

6.1.4. The Independent Directors may be requested to be a Member / Chairman of any one or more Committees of the Board including the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee, or such Committees of the Board which may be constituted from time to time and the copies of terms of reference for each of those meetings will be provided to the independent directors.

6.1.5. The appointment may be terminated in accordance with the provisions of the Articles of Association of the Company or on failure to meet the parameters of independence as defined in Section 149(6) of the Act or the Listing Regulations or on the occurrence of any event as defined in section 167 of the Act.

6.1.6. Upon termination or resignation for any reason, the Independent Director shall not be entitled to any damages for loss of office and no fee will be payable in respect of any unexpired portion of the term of the appointment or any damages whatsoever. Upon such termination or resignation, the Independent Directors will have to undertake to sign all appropriate paperwork that the Company may require.

6.2. Roles, Duties and Responsibilities

6.2.1. Roles:

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. "Responsibilities of the Board" as outlined in the Corporate Governance requirements as prescribed under Regulation 4(2)(f) of the Listing Regulations.
c. Accountability under the Director's Responsibility Statement.
d. The role and duties of Independent Directors will be those normally required of a Non-Executive Independent Director under the Act and the Listing Regulations.

6.2.2. Duties:

There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and are as under:

a. They shall act in accordance with the Company's Articles of Association.
b. 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.
c. They shall discharge their duties with due and reasonable care, skill and diligence.
d. 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.
e. Keep Governance and Compliance with the applicable legislation and regulations under review and the conformity of the Company's practices to accepted norms.

6.2.3. Functions:

In addition to the above requirements, the Board of Directors also expect Independent Directors to perform the following functions:

a. Constructively challenge and help develop proposals on strategy for the growth of the Company.
b. Evaluate the performance of management in meeting agreed goals and objectives.
c. Satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are effective and defensible.
d. Take responsibility for the processes for accurately reporting on performance and the financial position of the Company.

e. Keep Governance and Compliance with the applicable legislation and regulations under review and the conformity of the Company's practices to accepted norms.

6.3. Time Commitment

6.3.1. By accepting the appointment, the Independent Director confirms that he/she is able to allocate sufficient time to perform his role as an Independent Director of the Company.

6.3.2. Considering the nature of the role of an Independent Director, it is difficult for a Company to lay down specific parameters on time commitment. They agree to devote such time as is prudent and necessary for the proper performance of their roles, duties, and responsibilities as Independent Directors.

6.4. Remuneration

6.4.1. As Independent Directors, they may be paid sitting fees for attending the meetings of the Board and the Committees, as may be applicable, of which they are members. The sitting fees for attending each meeting of the Board and its Committees would be as determined by the Board from time to time.

6.4.2. In addition to the sitting fees, commission that may be determined by the Board may also be payable to Independent Directors. In determining the amount of this commission, the Board, supported by the NRC, may consider the performance of the Company and the performance of each independent director as evaluated by the Board. Further, the Company may pay or reimburse to the Director such expenditure, as may have been incurred while performing their role as an Independent Director of the Company. This could include reimbursement of expenditure incurred for accommodation, travel and any out-of-pocket expenses for attending Board/ Committee meetings, General Meetings, subject to the expense being reasonable.

6.4.3. If the term comes to an end or due to resignation or termination; any amounts due shall be paid on a pro-rata basis.

6.4.4. In addition to the compensation described above, the Company will reimburse the official travel expenses, hotel expenses, and all other reasonable out of pocket expenses borne by the Independent Directors for participating in Board and other Committee meetings and other Business meetings.

6.4.5. The remuneration described above is the gross amount payable per financial year, which is subject to deductions of applicable taxes and any other deductions required, if any by any applicable laws. The Independent Director shall be responsible for personal taxation. However, the Company will assist him in tax filings if any and compliance requirements in India.

6.4.6. The Company has made provisions for the Directors and Officers (D&O) insurance policy which covers the risk of breach of duty, neglect or omission to act, error or misstatement or misleading statement and failure to supervise, etc.

6.5. Independent Professional Advice

6.5.1. There may be occasions when Independent Directors consider that they need professional advice in furtherance of their duties as Directors and it will be appropriate for them to consult independent advisers at the Company's expense.

6.5.2. The Company will reimburse the full cost of expenditure incurred in accordance with the Company's policy.

6.6. Training and Development

6.6.1. The Company may, if required, conduct a formal training program for the 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.

6.7. Performance Appraisal and Evaluation Process

6.7.1. As members of the Board, their performance as well as the performance of the entire Board and its Committees will be evaluated annually. Evaluation of each Director shall be done by all the other Directors. The evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board /Committee.

6.8. Disclosure of Interest

6.8.1. Independent Directors agree to promptly notify the Company of any change in their directorships, committee memberships, shareholdings in any company or companies or bodies corporate, firms or other association of individuals and provide such other disclosures and information as may be required under the applicable laws in the prescribed format. They also agree that upon becoming aware of any potential conflict of interest with their position as Independent Directors of the Company, they shall promptly disclose the same to the Compliance Officer.

6.8.2. Independent Directors agree to promptly provide a declaration under Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations confirming that they meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of Listing Regulations and disclosure of interest under Section 184(1) of the Act, at the first meeting of the Board in every financial year or whenever there is any change in circumstances which may affect your status as an Independent Director, at the first meeting of the Board after such change.

6.8.3. Independent Directors shall promptly inform the Compliance Officer and the Registrar of Companies in the prescribed manner, of any change in address or other contact and personal details provided to the Company.

6.8.4. The Independent Director will be required to execute / confirm with respect to the following documentation periodically:

- Confirmation that he/she is not disqualified to act as a Director of the Company in terms of the Companies Act, 2013.
- Declaration of Independence in terms of the Companies Act, 2013.
- Disclosures under the Company Code for Prevention of Insider Trading.
- Code of Conduct for Directors of the Company.
- Code of Conduct for Independent Directors as per Schedule IV of the Companies Act, 2013.
- Disclosure of change in interest in companies where he/she is appointed/ceased as director or key managerial personnel.
- Confirmation that his directorships in companies do not conflict with the interest of the Company.

Registered Office: B. No. 1147, Old RS No. 1558, Village Manjusar, Lamdapura, Vadodara, Savli – 391775, Gujarat
Email: gvfpl@yahoo.com | **Website:** www.gvfpl.com | **Contact No.:** +91 98981 83313

6.9. Code of Conduct

Schedule IV to the Companies Act, 2013 provides for the 'Code for Independent Directors'.

6.9.1. The appointment process of Independent Directors is independent of the Company management. During the selection process, the Board ensures 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.

6.9.2. The appointment of Independent Director(s) of the Company is approved at the meeting of the shareholders. The Board always ensures that the Independent Director proposed to be appointed fulfils the conditions specified in the Act, Rules and Regulations made thereunder and that the proposed director is independent of the management and a statement to that effect is included in the explanatory statement attached to the notice of the meeting.

6.9.3. During the period of appointment, the Independent Directors will also be bound to comply with the following codes of conduct of the Company:

a. Code of Conduct for Board of Directors and Senior Management.
b. Code For Regulation and Prohibition of Insider Trading
c. Whistle Blower Policy and such other codes or policies under applicable laws including the Companies Act, 2013, and the Securities and Exchange Board of India Act, 1992

6.10. Meetings of Independent Directors

6.10.1. 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.

6.10.2. All the Independent Directors of the Company shall strive to be present at such meeting.

6.10.3. The meeting shall:

a. review the performance of Non-Independent Directors and the Board as a whole.
b. review the performance of the Chairman of the Company, if any taking into account the views of Executive Directors and Non-Executive Directors.
c. assess the quality, quantity, and timeliness of the flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

6.11. Related Party Transactions

6.11.1. Independent Directors are required to notify to the Audit Committee and the Board of Directors, any transaction with a related party, as defined in the Act, the Listing Regulations, Accounting Standards, or such other regulations as may be amended from time to time.

6.12. Resignation and Removal

6.12.1. 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.

6.12.2. An independent Director who resigns or is removed from the Board of the Company shall be replaced by a new Independent Director at the earliest, but not later than the immediate next Board meeting or three (3) months from the date of such resignation or removal, as the case may be, whichever is later, in accordance with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

6.12.3. 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.

6.13. Confidentiality and Non-Disclosure

6.13.1. All information concerning the Company with which he comes into contact by virtue of his position is confidential to the Company and shall not be released, either during the appointment or following termination (by whatever means) to third parties without prior clearance from the Company unless required by law or by the rules of any stock exchange or regulatory body. On reasonable request, Independent Directors shall surrender any documents and other material information made available to them by the Company.

6.13.2. Any information concerning the Company's business, its customers, suppliers, etc. which is not in the public domain and to which all employees do not have access, should be considered confidential for the purpose and should be held in confidence unless authorised to do so and when disclosure is required as a requirement of law

6.13.3. Attention is also drawn to the requirements under the applicable regulations and the Company's Insider Trading Code which concern the disclosure of unpublished price sensitive information and dealing in the securities of the Company. Consequently, Independent Directors should not provide any information either formally or informally to the press or any other publicity media and avoid making any statements or performing any transactions that might risk a breach of these requirements without prior clearance from the Compliance Officer.

6.13.4. The examples of confidential information are, but are not limited to the following:

- Business plan, annual operations plan.
- Software developed / under development.
- Technical information about software and computer systems.
- Performance against target.
- Costing, pricing, profitability, financial budget and related issues.
- Fees / stipend, evaluations, recommendations etc. related to any of the employees of the Company.
- Sales commission, third party commission and reference agents.
- Details of past, present and future contracts and proposals.
- Information about suppliers and/or customers.
- Communication facilities and equipment.
- Proposed ventures and corporate plans.
- Technical marketing and financial strategies of the Company and/or its customers.
- Core competencies and activities of the Company and/or its customers.
- Any other information, which is likely to be crucial for the business operations.

6.13.5. On termination of the Appointment, the Independent Director will deliver to the Company all books,

documents, papers, and other property of or relating to the business of the Company which are in their possession, custody or power by virtue of their position as an Independent Director of the Company. The Company will arrange the disposal of papers that he/she no longer requires.

6.13.6. If there is a breach or threatened breach of the provisions of Confidentiality, the Company shall be entitled to injunctive relief.

7. REVIEW AND AMENDMENTS

Any subsequent amendment/modification in the Act, the SEBI Listing Regulations and/or other applicable laws in this regard shall automatically apply to the Policy.

The Board (including its duly constituted committees) may, from time to time, make amendments to this Policy to the extent required due to changes in applicable laws and the SEBI Listing Regulations or as deemed fit on a review. The modifications, if any, made to the Policy shall be disclosed on the website of the Company.

(This Policy is approved and adopted by the Board of Directors of the Company in its meeting held on 12th March, 2026)

***

For and on behalf of Board
Gujarat Victory Forgings Limited
(Formerly Known as Gujarat Victory Forgings Private Limited)





Rahul Vijendra Agrawal
Chairman & Managing Director
DIN: 02523976