

# Corporate Governance Report

## 1. Company's Philosophy on Code of Corporate Governance

The Company recognizes its role as a corporate citizen and endeavours to adopt the best practices and the highest standards of corporate governance. The Company believes that governance practices enable the Management to direct and control the affairs of the Company in an efficient manner and to achieve the Company's goal of maximising value for all its stakeholders. The core principles of Corporate Governance are:

- Lay emphasis on integrity and accountability.
- Incorporate practices aimed at a high level of business ethics and effective supervision.
- Provide for enhancement of value for all stakeholders.

During the year under review, the Company complied with the provisions relating to corporate governance as provided under the SEBI (Listing Obligations Disclosure Requirement) Regulation ("SEBI LODR"). The Corporate Governance Report, together with a certificate confirming the compliance is provided in the Report on Corporate Governance, which forms part of the Integrated Annual Report.

The basic philosophy of Corporate Governance in the Company is to achieve business excellence and dedicate itself for increasing long-term shareholder value, keeping in view the needs and interests of all its stakeholders. It is important for the Company to achieve economic success and to act responsibly towards the environment, people and society. These principles are also articulated through the Company's Code of Conduct which is applicable to the Board, Senior Management and every single employee of the Company. Under its comprehensive Code of Conduct, the Company is committed to a culture of sustainability and views it as a prerequisite for the Company's long-term success.

## 2. Board of Directors

Your Board of Directors closely monitor the performance of the Company, approves the Business plans, reviews the strategy and strives to achieve organisational

growth. Your Board ensures statutory and ethical conduct and place high importance on the internal financial reporting.

### (A) Composition of Board

- The Managing Director is entrusted with the Management of your Company. He is assisted by Core Management Team and Senior Executives comprising of experts from the respective fields.
- The 'Board of Directors' is constituted with appropriate combination of Executive Directors, Non-Executive Directors, Independent Directors and Women Directors, as per the prevailing regulatory requirements. As on December 31, 2023, the Company had 9 (Nine) Directors, consisting of which 7 (Seven) Directors are Non-Executive Directors, including 3 (Three) Non-executive Women Directors, and out of these 7 (Seven), 4 (Four) are Independent Directors including 2 (Two) Independent Women Directors.
- None of the Directors on the Board is a member of more than 10 (Ten) committees or a Chairperson of more than 5 (Five) committees as stipulated in Regulation 26(1) of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations') across all the Indian Public Companies, in which he/she is a Director. The annual disclosure providing the committee position and other Directorship has been provided by the Directors.
- The names and categories of the Directors on the Board, their attendance at Board Meetings, last Annual General Meeting held during the year, number of Directorships held by them in Indian Companies and Committee Chairmanship/ Membership held by them in Indian Public Companies as of December 31, 2023, are given below. For reckoning the maximum number of Chairmanships/Memberships in committees, only 2 (Two) committees viz. 'Audit Committee' and 'Stakeholders Relationship Committee' of the Board have been considered.



Name of Director(s)	Director Identification Number (DIN)	Category <sup>1</sup>	Number of Directorships	Number of Membership (Chairmanship) in Committees	Attendance in Board Meetings held in 2023	Attendance at last AGM held on April 18, 2023
			As on December 31, 2023		Yes or No or NA <sup>2</sup>	
Andreas Schick	09257160	NE & NID	1	1(0)	6	Yes
Corinna Schittenhelm <sup>3</sup>	09257159	NE & NID	1	0	5	Yes
Dharmesh Arora	05350121	NE & NID	1	0	6	Yes
Renu Challu	00157204	NE & ID	3	5(3)	6	Yes
Arvind Balaji	00557711	NE & ID	15	4(0)	6	Yes
Amit Kalyani	00089430	NE & ID	10	2(0)	3	Yes
Eranti V. Sumithasri	07087197	NE & ID	2	2(0)	6	Yes
Harsha Kadam	07736005	E & NID	3	1(0)	6	Yes
Satish Patel <sup>4</sup>	00690869	E & NID	3	2(0)	6	Yes

<sup>1</sup> E & NID: Executive and Non-Independent Director, NE & NID: Non-Executive and Non-Independent Director, NE & ID: Non-Executive and Independent Director

<sup>2</sup> NA: Not Applicable

<sup>3</sup> Ceased to be a Director of the Company effective closure of business hours of December 31, 2023 on account of resignation.

<sup>4</sup> Satish Patel has been superannuated from the Company effective from February 12, 2024.

#### Details of Directorship in Listed Companies as on December 31, 2023

Name of Director(s)	No. of Directorships <sup>1</sup>	No. of Committee Membership <sup>1</sup>	No. of Committee Chairmanship <sup>1</sup>	Name of Listed Company	Category of Directorship held <sup>2</sup>
Dharmesh Arora	1	0	0	Schaeffler India Limited	NE & NID
Harsha Kadam	1	1	0	Schaeffler India Limited	E & NID
Satish Patel	1	2	0	Schaeffler India Limited	E & NID
Andreas Schick	1	1	0	Schaeffler India Limited	NE & NID
Corinna Schittenhelm	1	0	0	Schaeffler India Limited	NE & NID
Renu Challu	3	5	3	Schaeffler India Limited	NE & ID
				NCC Limited	NE & ID
				Ceinsys Tech Limited	NE & ID
Arvind Balaji	2	4	0	Schaeffler India Limited	NE & ID
				India Nippon Electricals Limited	E & NID
Amit Kalyani	7	2	0	Schaeffler India Limited	NE & ID
				Bharat Forge Limited	E & NID
				Kalyani Steels Limited	NE & NID
				BF Utilities Limited	NE & NID
				Kalyani Investment Company Limited	NE & NID
				BF Investment Limited	NE & NID
				Hikal Limited	NE & NID
Eranti V. Sumithasri	1	2	0	Schaeffler India Limited	NE & ID

<sup>1</sup> Company Directorships includes directorships in all listed public limited companies and excludes private limited companies, foreign companies and Section 8 companies. The details of Committee Chairmanships/Memberships are disclosed as per Regulation 26 of the SEBI Listing Regulations.

<sup>2</sup> E & NID: Executive and Non-Independent Director, NE & NID: Non-Executive and Non-Independent Director, NE & ID: Non-Executive and Independent Director.

#### (v) Executive Directors:

- Harsha Kadam, Managing Director holds a Bachelor's degree in Mechanical Engineering from Bangalore University and Diploma in Finance and Marketing from IGNOU. He has done Executive Development course in Marketing from IIM Bangalore and has a vast experience in various functions like Sales, Manufacturing and Product Design/Development.
- Satish Patel, Director – Finance & CFO is a member of The Institute of Cost Accountants of India and holds a Master's degree in Commerce. He has a vast experience in the field of Controlling and Finance Management. Satish Patel has been superannuated effective from the Company on February 12, 2024.
- The Board, subject to Shareholders' approval, appointed Hardevi Vazirani, as an Additional Director designated as Director-Finance (Whole- Time Director) and Chief Financial Officer with effect from February 13, 2024. Hardevi holds Bachelor of Commerce degree from MS University, Vadodara. Hardevi completed Diploma in Business Management from ICFAI, Hyderabad and Diploma in Computer Studies from NCC UK, Management Programs from INSEAD, IIM-Bangalore and is Certified Accounting Specialist, from Accovallist Institute, Germany, Global Leadership Excellence Program, International Management Training and Regional Management Pool program of Schaeffler Group.

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### (vi) Independent Directors:

- Renu Challu, holds a Master's degree in Economics (Gold Medalist) from University of Lucknow and has a vast experience in Banking and Finance.
- Amit Kalyani, holds a Bachelor's degree in Mechanical Engineering from Bucknell University, Pennsylvania, USA and a Harvard Business School OPM graduate. He is a YPO member and has a vast experience in manufacturing and technology.
- Arvind Balaji, holds a Bachelor's degree in Mechanical Engineering from BITS Pilani, a Master's degree in Manufacturing System Engineering from Stanford University and an MBA in Finance from Wharton School, University of Pennsylvania and has a vast experience in the investment banking, financing and M&A transactions.
- Eranti V. Sumithasri, holds Master's degree in Computer Science & Engineering from University of Connecticut, USA and Bachelor's degree in Computer Science from Visvesvaraya College of Engineering, India and has a vast experience in Business Leadership, Technology, Consulting and Financial Services industry.

### (vii) Non-Independent Directors:

- Andreas Schick studied Automotive Engineering at the University of Munich and has a vast experience in Production and Supply Chain Management.
- Corinna Schittenhelm studied Business Administration from University of Applied Sciences for Economics & Technology in Kempten and has a vast experience in the fields of Human Resource and Sustainability. Corinna has resigned from Board position effective from December 31, 2023.
- Dharmesh Arora holds Bachelor's degree in Mechanical Engineering from University of Mumbai and TRIUM Global Executive MBA degree from NYU Stern School of Business; London School of Economics and HEC Paris. He has a vast experience in the Automotive Industry.
- Jens Schüler is Economist from the Johannes Gutenberg University Mainz. The Board of Directors, subject to shareholders approval, appointed Jens Schüler as an Additional Director (Non-Executive Non-Independent Director) of the Company effective from January 1, 2024.

None of the Directors is related inter-se.

### Directors' shareholding in the Company

Harsha Kadam holds 500 Equity Shares and Eranti V. Sumithasri holds 50 Equity Shares of the Company and none of the other Directors hold any Equity Share of the Company as on December 31, 2023.

### (B) Board Meeting(s) during 2023

The gap between any two meetings did not exceed 120 days. 6 (Six) Board Meetings were held during 2023 on the following dates:

Board Meeting(s)	I	II	III	IV	V	VI
Dates	February 16	April 18	July 7	July 26	August 28	October 27
Start	16:15	09:00	15:45	14:00	11:30	11:15
Timing	HRS IST	HRS IST	HRS IST	HRS IST	HRS IST	HRS IST
Venue (Deemed Venue)	Mumbai	Pune	Virtual (Bangalore)	Virtual (Bangalore)	Virtual (Bangalore)	Mumbai

The details of attendance of each of the Directors at the Board Meeting(s) are given in the table at Point No. 2(A).

### (C) Board Meeting Procedure

Annual Calendar of Board Meetings for the year is usually scheduled in advance in the previous year. The notice convening Board Meeting is sent to each of the Directors along with relevant agenda papers as per the regulatory timelines well in advance of the meeting date. The items in the agenda are supported by comprehensive background information which enable the Board to take informed decisions. All significant developments and material events are brought to the notice of the Board, either as a part of the agenda papers in advance of the meeting or by way of presentations or circulation of relevant documents during the meeting.

The Managing Director briefs the Board on the operational and financial performance of the Company during the previous quarter and trend analysis as compared to the budgets, operational performance and market scenario. During the reporting year, the Managing Director briefed the Board on, employee health & safety, Schaeffler India footprint, ESG, Sustainability Roadmap and Strategy updates and update on economy and market, capacity investment, acquisition of KRSV Innovative Auto Solutions Private Limited, and performance of the Company.

The Board has complete access to all the information of the Company. The following information are provided to the Board as and when occasion arises:

1. Annual operating plans, budgets and any updates;
2. Capital budgets and any updates;



3. Annual and Quarterly results of the Company and its operating divisions or business segments;
4. Minutes of meetings of Audit Committee & other committees of the Board of Directors;
5. Quarterly results, Board meeting minutes of Subsidiary of the Company and other important information about the Subsidiary of the Company;
6. The information on recruitment and remuneration of senior officers just below the level of Board of Directors, including appointment or removal of Chief Financial Officer and the Company Secretary;
7. Show cause, demand, prosecution notices and penalty notices which are materially important;
8. Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;
9. Any material default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company;
10. Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company;
11. Details of any joint venture or collaboration agreement;
12. Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
13. Significant labour problems and their proposed solutions. Any significant development in Human Resources/Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.;
14. Sale of material nature of investments, subsidiaries, assets, which is not in the normal course of business;

15. Quarterly details of foreign exchange exposure and the steps taken by the Management to limit the risks of adverse exchange rate movement, if material;
16. Non-compliance of any regulatory, statutory or listing requirements which are material in nature.
17. Shareholders' service such as non-payment of dividend, delay in share transfer etc.

## (D) Code of Conduct

The Company has laid down a Code of Conduct, for all its Board Members and Senior Management Personnel and all its employees for avoidance of conflicts of interest. The declarations with regards to its compliance have been received for the year 2023 from all the Board Members and Senior Management Personnel.

There were no material financial and commercial transactions, in which Board Members or Senior Management Personnel had personal interest, which could lead to potential conflict of interest with the Company during the year. The Code of Conduct is also available on Company's website on following web link: <https://www.schaeffler.co.in/en/investor-relations/corporate-governance/codes-and-policies/>.

## (E) Familiarisation and training to Directors

Induction, orientation or familiarisation programs are part of our culture and applicable to all layers of Management and the Board Members, which are designed based upon the position/job requirements.

Guided by the principles of best Corporate Governance Practices, all the Directors including Independent Directors are provided familiarisation trainings through various programs and workshops which give them insights to the Company, including nature of Industry in which the Company operates, business model of the Company, relevant information of business processes, business development, strategy and business plan of the Company. They are also informed about their role, responsibilities, duties and rights from time to time.

The familiarisation and trainings are provided to all the Directors including Independent Directors. Executive Directors, have additional trainings, workshops and orientations depending upon their role, responsibilities and developments in business.

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Following programs, trainings and workshops were conducted for all Directors during the year 2023:

Sr. No.	Particulars	No. of Hours (approx.)	Faculty/Trainer/Speaker	Participants
1.	Operational, Financial Performance, Business Performance & Risk Management, ESG	8	CEO & CFO	All the Directors
2.	Special Audit Committee meeting	2	CEO & CFO	All the Committee members (Except Amit Kalyani & E.V. Sumithasri)
3.	Strategy meeting (Program including workshops and discussions on business strategy for Schaeffler India covering following topics: <ul style="list-style-type: none"> <li>• Automotive Technologies</li> <li>• Industrial</li> <li>• Automotive Aftermarket</li> <li>• Country-wide ESG projects</li> <li>• Inorganic Growth Strategy</li> </ul>	8	Functional Leaders	Directors, Business Heads and Functional Heads
4.	Plant visit, CSR visit	12	Senior Management Team	E. V. Sumithasri

The details of such programs have been disclosed on the website of the Company on following web-link: <https://www.schaeffler.co.in/en/investor-relations/corporate-governance/independent-directors/>.

### (F) Meeting of Independent Directors

As per Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and under the provisions of the Companies Act, 2013, a separate Meeting of the Independent Directors was held on October 27, 2023 inter alia, to review the performance of Non-Independent Directors, Chairperson, Managing Director and the Board as a whole and to assess quality, quantity and timeliness of flow of information between Management and the Board for ensuring effective participation by the Board Members. All Independent Directors namely Renu Challu, Arvind Balaji, Amit Kalyani and Eranti V. Sumithasri were present at the Meeting.

### (G) Matrix of skills/expertise/competence of the Board of Directors

Details of the core skills/expertise/competencies identified by the Board of Directors as required in the context of the business(es) and sector(s) in which it operates to function effectively and the names of Directors who possess such skills/ expertise/competencies:

Core Skills/Expertise/Competence	Dharmesh Arora	Harsha Kadam	Satish Patel	Andreas Schick	Corinna Schittenhelm	Eranti V. Sumithasri	Arvind Balaji	Renu Challu	Amit Kalyani
Business Management	✓	✓	✓	✓	✓	✓	✓	✓	✓
Strategic Management	✓	✓	✓	✓	✓	✓	✓	✓	✓
Leadership	✓	✓	✓	✓	✓	✓	✓	✓	✓
Engineering and Technology	✓	✓	-	✓	-	✓	✓	-	✓
Finance Management	✓	✓	✓	-	✓	✓	✓	✓	✓
Governance & Board Dynamics	✓	✓	✓	-	✓	✓	✓	✓	✓

### (H) Confirmation of the Board on Independence

Based on the disclosures received from the Independent Directors, the Board of Directors of the Company confirms that the Independent Directors fulfil the conditions specified in the SEBI Listing Regulations and are Independent of the Management.

### (I) Talent Management & Succession Planning

Our Talent Management process fosters self-responsibility and support employees in finding their own career path and goals. This fully embraces our vision of empowering our employees with Drive Your Career mindset. We always integrate our Employee & Leadership Essentials with all talent development initiatives. At Schaeffler, we run well established multi-dimensional leadership programs for emerging leaders as “Young Leadership Program” and “Accelerated Leadership Program” for Senior Leaders for future capability building in business excellence and people leadership.

A structured Succession planning program focusing on successor identification for all critical roles and superannuation is being run to ensure succession health check across the organization at Division, Function & Region level. All inputs from succession planning processes are analysed and curated to clear Individual Development Plans, supported by other key talent initiatives such as Executive Coaching and Development Centers.



To remain competitive in the current marketplace, we focus on talent mobility as a part of workplace planning & retention strategies through career development, job rotation and talent engagement. Our focused drive on building future ready skills & competencies for the entire manpower, has helped us to propel our vision of building strategic workforce capabilities and to be the motion technology company.

### 3. Audit Committee

#### (A) Composition of Audit Committee

The Company has duly constituted Audit Committee, with the powers and roles in accordance with the prevailing regulatory requirements. The Committee acts as a link to connect the Management, Auditors and the Board of Directors. As on December 31, 2023, the members of the Audit Committee are:

Sr. No.	Name of Director	Role in the Committee	Category
1.	Renu Challu	Chairperson	Non-Executive & Independent
2.	Arvind Balaji	Member	Non-Executive & Independent
3.	Amit Kalyani	Member	Non-Executive & Independent
4.	Eranti V. Sumithasri	Member	Non-Executive & Independent
5.	Andreas Schick	Member	Non-Executive & Non-Independent
6.	Satish Patel <sup>1</sup>	Member	Executive & Non-Independent

<sup>1</sup> Satish Patel has been superannuated from the Company effective from February 12, 2024.

<sup>2</sup> Hardevi Vazirani has been appointed as Director-Finance & CFO and an Audit Committee member effective from February 13, 2024.

The Company Secretary acts as the Secretary to the Audit Committee of the Board of Directors of the Company.

#### (B) Meetings of Audit Committee and Attendance of Members

Details of the Audit Committee Meetings held during 2023 are as follows:

Audit Committee Meeting(s)	I	II	III	IV	V	VI
Dates	January 18, 2023	February 16, 2023	April 17, 2023	July 26, 2023	August 28, 2023	October 27, 2023
Start Timing	13:30 HRS IST	14:00 HRS IST	14:30 HRS IST	11:15 HRS IST	10:30 HRS IST	08:30 HRS IST
Venue (Deemed venue)	Virtual (Hyderabad)	Mumbai	Pune	Virtual (Hyderabad)	Virtual (Hyderabad)	Mumbai
Attended by	Renu Challu	Renu Challu	Renu Challu	Renu Challu	Renu Challu	Renu Challu
	Arvind Balaji	Arvind Balaji	Arvind Balaji	Arvind Balaji	Arvind Balaji	Arvind Balaji
	-	Amit Kalyani	Amit Kalyani	-	Amit Kalyani	Amit Kalyani
	-	E. V. Sumithasri	E. V. Sumithasri	E. V. Sumithasri	E. V. Sumithasri	E. V. Sumithasri
	Satish Patel	Satish Patel	Satish Patel	Satish Patel	Satish Patel	Satish Patel
	Andreas Schick	-	Andreas Schick	-	Andreas Schick	Andreas Schick
	Avinash Gandhi <sup>1</sup>	-	-	-	-	-

<sup>1</sup> Avinash Gandhi ceased to be Director of the Company w.e.f February 6, 2023.

The Audit Committee invites such Executives as it considers appropriate to be present at the meeting including but not limited to the representative of Statutory Auditors, Cost Auditors and the Internal Auditor of the Company.

All the members of Audit Committee are financially literate and majority of them have Accounting and Financial Management expertise. The Chairperson of the Audit Committee, Renu Challu, attended the 60<sup>th</sup> Annual General Meeting held on April 18, 2023.

The Audit Committee mandatorily reviews:

1. Management Discussion and Analysis of financial condition and results of operations;
2. All Related Party Transactions submitted by Management;

3. Management letters/letters of internal control weaknesses issued by the Statutory Auditors, if any;
4. Internal Audit Reports;
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor; and
6. Statement of deviations, if any.

#### (C) Terms of Reference

The terms of reference of the Audit Committee include matters specified in the Companies Act, 2013, Rules made thereunder, the SEBI Listing Regulations and those specified by the Board in writing. Besides having access to all required information within the Company, the Committee may investigate any activity within its terms of reference, seek information from any



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employee, secure attendance of outsiders with relevant expertise, or obtain legal or other professional advice from external sources, whenever required.

The Audit Committee acts in accordance with the terms of reference which, inter alia, include:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the Financial Statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the Management, the Annual Financial Statements and Auditors' Report thereon before submission to the Board for approval, with particular reference to:
  - (a) Matters required to be included in the 'Directors' Responsibility Statement' to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act, 2013
  - (b) Changes, if any, in accounting policies and practices and reasons for the same
  - (c) Major accounting entries involving estimates based on the exercise of judgment by Management
  - (d) Significant adjustments made in the financial statements arising out of Audit findings
  - (e) Compliance with listing and other legal requirements relating to financial statements
  - (f) Disclosure of any Related Party Transactions
  - (g) Qualifications/Modified opinion(s) in the draft audit report
5. Reviewing, with the Management, the quarterly Financial Statements before submission to the Board for approval;
6. Reviewing, with the Management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue or preferential issue or qualified institutions placement and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the Auditors' independence and performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with Related Parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and Risk Management systems;
12. Reviewing, with the Management, performance of Statutory and Internal Auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of Internal Audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with Internal Auditors of any significant findings and follow up thereon;
15. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of Internal Control Systems of a material nature and reporting the matter to the Board;
16. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle-Blower Mechanism;
19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;



20. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
21. Reviewing the utilization of loans and/ or advances from/investment by the company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / existing investments.

#### 4. Nomination and Remuneration Committee

Pursuant to provisions of Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI Listing Regulations, Nomination and Remuneration Committee of the Board (hereinafter referred to as 'NRC') is duly constituted.

##### (A) Composition of NRC

As on December 31, 2023, the members of the NRC are:

Sr. No.	Name of Director	Role in the Committee	Category
1.	Renu Challu	Chairperson	Non-Executive & Independent
2.	Amit Kalyani	Member	Non-Executive & Independent
3.	Dharmesh Arora	Member	Non-Executive & Non-Independent
4.	Corinna Schittenhelm <sup>1</sup>	Member	Non-Executive & Non-Independent
5.	Arvind Balaji	Member	Non-Executive & Independent
6.	E. V. Sumithasri	Member	Non-Executive & Independent

<sup>1</sup>Ceased to be a Director of the Company effective from December 31, 2023

##### (B) Meetings of NRC

Details of the Nomination and Remuneration Committee Meetings held during 2023 are as follows:

NRC Meeting(s)	I	II	III
Dates	February 3, 2023	February 16, 2023	July 26, 2023
Start Timing	14:30 HRS IST	12:00 HRS IST	10:00 HRS IST
Venue (Deemed venue)	Virtual (Hyderabad)	Mumbai	Virtual (Hyderabad)
Attended by	Renu Challu Amit Kalyani Dharmesh Arora Corinna Schittenhelm Arvind Balaji Avinash Gandhi <sup>1</sup>	Renu Challu Amit Kalyani Dharmesh Arora Corinna Schittenhelm Arvind Balaji E. V. Sumithasri <sup>2</sup>	Renu Challu - Dharmesh Arora Corinna Schittenhelm Arvind Balaji E. V. Sumithasri

<sup>1</sup> Avinash Gandhi ceased to be Director of the Company w.e.f February 6, 2023.

<sup>2</sup> E. V. Sumithasri has been appointed as member of the NRC w.e.f February 7, 2023.

##### (C) Terms of Reference of NRC

The Committee acts as a link between the Management and the Board of Directors. Besides having access to all required information within the Company, the Committee may investigate any activity within its terms of reference, seek information from any employee, secure attendance of outsiders with relevant expertise or obtain legal or other professional advice from external sources, whenever required.

The Committee shall act in accordance with the terms of reference which, inter alia, include:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board, a policy relating to the remuneration of the Directors, Key Managerial Personnel, Senior Management and other employees;
  - 1A. For every appointment of an Independent Director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
    - (a) use the services of an external agencies, if required;
    - (b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
    - (c) consider the time commitments of the candidates
2. Formulation of criteria for performance evaluation of Independent Directors and the Board of Directors;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management positions in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
5. Whether to extend or continue the term of appointment of the Independent Directors, on the basis of the report of performance evaluation of Independent Directors;
6. To recommend to the Board, all remuneration, in whatever form, payable to Senior Management.



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### (D) Annual Performance Evaluation Criteria for Independent Directors:

The criteria for performance evaluation of Independent Directors include (i) Attendance at the meetings, (ii) Preparedness and active participation in meetings, (iii) Staying updated on developments, (iv) Constructive contribution made in the meetings, (v) Being objective and protecting interest of all shareholders, (vi) Engaging as well as challenging Management without being confrontational or obstructionist, (vii) Ensuring integrity of financial statements/internal controls, (viii) Ensuring Risk Management system & mitigation measures are in place (ix) Fulfilment of the independence criteria (as specified in the Listing Regulations) and independence from the Management.

## 5. Remuneration

### (A) Remuneration to the Executive Directors

The Remuneration of Executive Directors (Managing Director and Director-Finance) has fixed as well as variable components. The variable components comprise of 'Short Term Bonus' and 'Long Term Bonus' and the criteria for determination are as under:

#### A. Short Term Bonus

- (a) Non-Financial Target (20%)
- (b) Free Cash Flow (40%) and,
- (c) Schaeffler Value Added (40%).

Non-Financial Target (NF) : LTIR is the target chosen under NFT. People safety is our top priority with the increase in production demand the risk related to employees are also tend to increase but we as a responsible employer we are continuously focusing on reducing the risk of our employees with technology and innovation keeping us reducing the accident rate trend.

#### B. Long Term Bonus

- (a) Service Condition (50%),
- (b) Total Shareholders Return (25%) and,
- (c) Earning Per Share (25%).

Total Shareholders Return (TSR): relative outperformance of Share Price of Schaeffler India Ltd. In comparison of BSE Industrial Index, BSE Auto Index and BSE Capital Goods Index.

Earning Per Share: the target achievement is measured based on the absolute average annual growth of earning per preferred share during the performance period.

### Rationale:

#### Free Cash Flow (FCF):

- FCF reflects operational and liquidity performance, a key for short and long-term sustainability;
- FCF reflects ability of the Company to convert it operating performance to cash inflow to meet operational needs and capex for future growth.

#### Schaeffler Value Added (SVA):

- RoCE is a value-based performance indicator to reflect how efficiently the Company uses its resources
- SVA is closely linked to RoCE and reflects the interest and needs of all investors

FCF and SVA together reflects holistic view of short and long term sustainable performance of the Company and returns to shareholders.

The remuneration to Executive Directors / Senior Management is paid in accordance with the Company Policy, as amended from time to time.

The details of remuneration paid for 2023 to the Managing Director and Director – Finance are as follows:

(₹ in million)				
Name	Salary & Performance Bonus	Allowance & Perquisites	Company's contribution to funds	Total
Harsha Kadam (Managing Director)	31.2	8.4	1.7	41.3
Satish Patel (Director – Finance & CFO)	12.8	7.1	1.8	21.7

#### Notes:

- (a) Company's contributions to fund include Superannuation Fund and Provident Fund and exclude the accruals for gratuity as it is funded on the basis of an actuarial valuation for the Company as a whole.
- (b) The Company has entered into Employment Agreement with Executive Directors.
- (c) The details of fixed and variable components of the remuneration of Executive Directors are disclosed in the resolution and explanatory statement for their appointment or for revision in remuneration, as the case may be. The criteria for variable performance linked component have been explained in this Report.



- (d) As per employment agreement, either party can terminate agreement by giving 6 (Six) months' notice in writing. There is no provision for severance fees.
- (e) The Company has no Stock Option Scheme as on December 31, 2023.

<sup>3</sup> Inducted as a Member of Senior Management effective from April 3, 2023

<sup>4</sup> Inducted as a Member of Senior Management effective from July 3, 2023

<sup>5</sup> ceased to be a Member of Senior Management effective from September 4, 2023

<sup>6</sup> Inducted as a Member of Senior Management effective from September 5, 2023 in place of Alok Dave

### Remuneration to the Senior Management

The scheme of variable components comprising Short Term Bonus and Long-Term Bonus as detailed in point 5 (A) above, is also applicable to the Executive Leadership Team (Senior Management) of the Company.

### Details of the Senior management

Particulars of senior management including the changes therein since the close of the previous financial year is as under:

The senior management of the Company comprises of the following employees:

1. Harsha Kadam
2. Satish Patel <sup>1</sup>
3. Hardevi Vazirani <sup>2</sup>
4. Seshan Iyer <sup>3</sup>
5. Aashish Bhatia <sup>4</sup>
6. Santanu Ghoshal
7. Sameer Mathur
8. Debasish Satpathy
9. Alok Dave <sup>5</sup>
10. Vinod Acharya <sup>6</sup>
11. Madhurisha Vipptoori

<sup>1</sup> Ceased to be a Member of Senior Management effective from February 12, 2024 due to superannuation.

<sup>2</sup> Inducted as a Member of Senior Management effective from February 13, 2024.

### (B) Criteria for remuneration to the Non-Executive Directors

As per Shareholders' approval by way of an Ordinary Resolution passed at 53<sup>rd</sup> Annual General Meeting held on April 27, 2016, Non-Executive Directors are paid 'Sitting Fees' for attending Board/Committee Meetings and 'Profit Related Commission' based on performance of the Company.

In view of the responsibilities shouldered, time spent and efforts made by the Non-Executive Directors who are in whole-time employment of the Schaeffler Group, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, had approved, inter alia, necessary amendments in Nomination and Remuneration Policy, for payment of sitting fees and profit related commission to such Non-Executive Directors.

Accordingly, effective April 1, 2019, the Non-Executive Directors including the Non-Executive Director of Schaeffler Group, have been paid sitting fees for attending meetings of Board/Committees thereof, unless specifically waived by the concerned Non-Executive Director. The Shareholders approved the payment of sitting fees and profit related commission to be paid to the Non-Executive Directors and the payments have been made accordingly.

The details of sitting fees for attending Board/Committee Meetings held during the year 2023 and profit related commission for the year 2022 paid to them are as follows:

Name of Director	Board Meetings	Audit Committee Meetings	Stakeholders Relationship Committee Meetings	Nomination & Remuneration Committee Meetings	Corporate Social Responsibility Committee Meetings	Risk Management Meetings	Sitting Fees (₹)	Commission (₹)
Avinash Gandhi	-	1	-	1	-	-	120,000	5,625,000
Renu Challu	6	6	2	3	-	-	1,115,000	3,625,000
Arvind Balaji	6	6	-	3	2	-	1,115,000	3,625,000
Amit Kalyani	3	4	-	2	2	-	705,000	3,625,000
Eranti V. Sumithasri	6	5	-	2	-	2	995,000	3,625,000
Dharmesh Arora	6	-	-	3	-	1	670,000	3,625,000
Andreas Schick <sup>1</sup>	6	4	-	-	-	1	-	-
Corinna Schittenhelm <sup>1</sup>	5	-	-	3	2	-	-	-

<sup>1</sup> Effective April 1, 2019, sitting fees for attending meetings of Board and Committees thereof are paid to the Non-Executive Directors who are in whole-time employment of the Schaeffler Group. Andreas Schick and Corinna Schittenhelm have decided not to accept sitting fees and commission.

## Corporate Governance Report

All the Directors have been reimbursed expenses incurred by them in discharge of their duties. The payments made to a Director in his/her individual capacity have been disclosed.

However, none of these Directors has any material pecuniary relationship or transactions with the Company, its Promoters, its Directors, its Senior Management, Holding Company, Subsidiary Company and its Associates or their promoters, or directors which may affect their independence. The Company has not entered into any materially significant transaction with Promoters, Directors or their Relatives or its Management that may have potential conflict with the interests of the Company.

During the year, there were no transactions entered with the Non-Executive Directors or their Relatives.

### 6. Stakeholders' Relationship Committee

Pursuant to provisions of Section 178(5) of the Companies Act, 2013 read with Regulation 20 of SEBI Listing Regulations, 'Stakeholders' Relationship Committee' ('SRC') of the Board has been constituted.

#### (A) Composition of SRC

The Committee consist of following members:

Sr.	Name of Director	Role in the	Category
1.	Renu Challu	Chairperson	Non-Executive & Independent
2.	Harsha Kadam	Member	Executive & Non-Independent
3.	Satish Patel <sup>1</sup>	Member	Executive & Non-Independent

<sup>1</sup> Satish Patel has been superannuated from the Company effective from February 12, 2024.

<sup>2</sup> Hardevi Vazirani has been appointed as Director-Finance & CFO and SRC Committee member effective from February 13, 2024.

#### (B) Meetings of SRC & Attendance of Members

The Committee meets to deal with matters relating to redressal of complaints from Shareholders regarding transfers, non-receipt of Annual Report, non-receipt of declared dividends etc. and to review effectiveness of Investors' Relations system of the Company.

Details of the SRC Meetings held during 2023 are as follows:

SRC Meeting(s)	I	II
Dates	April 17, 2023	October 26, 2023
Start Timing	11:30 HRS IST	15:15 HRS IST
Venue (Deemed venue)	Pune	Mumbai
Attended by	Renu Challu	Renu Challu
	Harsha Kadam	Harsha Kadam
	Satish Patel	-

The Chairperson of the SRC, Renu Challu, attended the 60<sup>th</sup> Annual General Meeting held on April 18, 2023.

Ashish Tiwari, VP-Legal & Company Secretary is the Compliance Officer of the Company. During the year 2023, total of 26 complaints were received.

All complaints received during the year 2023 were attended to and resolved satisfactorily. There was no complaint pending as on December 31, 2023.

#### (C) Terms of Reference of SRC

The Committee acts in accordance with the terms of reference which, inter alia, include:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
5. The Committee shall meet at least once a year.

### 7. Corporate Social Responsibility Committee

The 'Corporate Social Responsibility Committee' ('CSR Committee') of the Board constituted pursuant to the provisions of Section 135 of the Companies Act, 2013, comprises the following members:

#### (A) Composition of CSR Committee

Sr. No.	Name of Director	Role in the Committee	Category
1.	Arvind Balaji	Chairperson	Non-Executive & Independent
2.	Amit Kalyani	Member	Non-Executive & Independent
3.	Corinna Schittenhelm <sup>1</sup>	Member	Non-Executive & Non-Independent
4.	Harsha Kadam	Member	Executive & Non-Independent

<sup>1</sup> Ceased to be a Director of the Company effective closure of business hours of December 31, 2023.



## (B) Meetings of CSR Committee & Attendance of Members

During the year 2023, 2 (Two) meetings of CSR Committee were held, details of which are as follows:

Dates	February 16, 2023	October 26, 2023
Start Timing	10:30 HRS IST	14:00 HRS IST
Venue (Deemed venue)	Mumbai	Virtual (Chennai)
Attended by	Arvind Balaji Harsha Kadam Corinna Schittenhelm Amit Kalyani	Arvind Balaji Harsha Kadam Corinna Schittenhelm Amit Kalyani

## (C) Terms of Reference of CSR

The Committee shall act in accordance with the terms of reference which, inter alia, include:

- To formulate and recommend to the Board a CSR Policy which will define the focus areas and indicate the activities to be undertaken by the Company under CSR domain;
- To recommend to the Board necessary amendments, if any, in the CSR Policy from time to time;
- To formulate the Annual Action Plan, monitor the budget under the CSR activities of the Company;
- To accomplish various CSR projects of the Company independently or through intermediary agencies, as the case may be.

## 8. Risk Management Committee

The 'Risk Management Committee' ('RMC') has been constituted pursuant to the provisions of Regulation 21 of the SEBI Listing Regulations, comprises of the following members:

### (A) Composition of RMC

Sr. No.	Name of Director	Role in the Committee	Category
1	Dharmesh Arora	Chairperson	Non-Executive & Non-Independent Director
2	Eranti V. Sumithasri	Member	Non-Executive & Independent Director
3	Andreas Schick	Member	Non-Executive & Non-Independent Director
4	Harsha Kadam	Member	Executive & Non-Independent Director
5	Satish Patel <sup>1</sup>	Member	Executive & Non-Independent Director
<b>Members of Senior Management</b>			
6	Sameer Mathur	Member	Chief Operating Officer
7	Santanu Ghoshal	Member	Vice President – Human Resources

<sup>1</sup> Satish Patel has been superannuated from the Company effective from February 12, 2024.

Note: Hardevi Vazirani has been appointed as Director-Finance & CFO and RMC member effective from February 13, 2024

## (B) Meetings of RMC & Attendance of Members

The Chairperson of RMC, Dharmesh Arora, attended the 60<sup>th</sup> Annual General Meeting held on April 18, 2023.

During the year 2023, 2 (Two) meetings of RMC were held, details of which are as follows:

RMC Meeting(s)	I	II
Dates	April 6, 2023	October 3, 2023
Start Timing	13:30 HRS IST	10:30 HRS IST
Venue (Deemed venue)	Virtual (Singapore)	Virtual (Bangalore)
Attended by	Dharmesh Arora Eranti V. Sumithasri Andreas Schick Harsha Kadam Satish Patel Sameer Mathur Santanu Ghoshal	- Eranti V. Sumithasri - Harsha Kadam Satish Patel Sameer Mathur Santanu Ghoshal

## (C) Terms of Reference of RMC

The Committee shall act in accordance with the terms of reference which, inter alia, include:

- The Committee shall formulate a detailed Risk Management Policy which shall include:
  - A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - Measures for risk mitigation including systems and processes for internal control of identified risks; and;
  - Business continuity plan.
- The Committee shall ensure that appropriate methodology processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- The Committee shall monitor and oversee implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems
- The Committee shall periodically review the Risk Management Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- The Committee shall keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;

## Corporate Governance Report

6. The Committee shall review the appointment, removal and terms of remuneration of the Chief Risk Officer, if any.
7. The Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors;
8. The Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

## 9. General Body Meetings & Postal Ballot

Particulars	Meetings		
	60 <sup>th</sup> AGM	59 <sup>th</sup> AGM	58 <sup>th</sup> AGM
Date	April 18, 2023	April 27, 2022	April 27, 2021
Start Timing	3:30 PM IST	3:30 PM IST	3:30 PM IST
Venue / Deemed venue	Hotel SAYAJI, Pearl Hall, 135/136, Mumbai – Bangalore Bypass Highway, Wakad, Pune, Maharashtra 411057	Video Conferencing/Audio Visual means 15 <sup>th</sup> Floor, ASTP (Amar Sadanand Tech Park), Baner, Pune – 411045	Video Conferencing/Audio Visual means (Registered office located at: Nariman Bhavan, 8 <sup>th</sup> Floor, 227 Backbay Reclamation, Nariman Point, Mumbai - 400 021, Maharashtra, India)
Resolution passed			
<b>Ordinary Business</b>			
Adoption of accounts at	December 31, 2022	December 31, 2021	December 31, 2020
Declaration of Dividend	Dividend of INR 24 per equity share of INR 2 each	Dividend of INR 16 per equity share of INR 2 each	Dividend of INR 38 per equity share of INR 10 each
Re-appointment of Rotational Director	Corinna Schittenhelm Andreas Schick	Satish Patel Dharmesh Arora	Satish Patel Dharmesh Arora
Ratification of Appointment of Auditors and/or authorisation to fix their remuneration	-	-	Appointment and authorisation to fix their remuneration M/s. Walker Chandiook & Co. LLP, Chartered Accountants
<b>Special Business</b>			
Appointment of Directors	-	Corinna Schittenhelm as Director Andreas Schick as Director	Eranti V. Sumithasri as Director
Approval on	Material Related Party Transactions	Material Related Party Transactions	Material Related Party Transactions
	Ratification of Remuneration to the Cost Auditors	Ratification of Remuneration to the Cost Auditors	Shifting of the Registered Office of the Company from Mumbai to Pune within the State of Maharashtra (Special resolution)
	-	-	Ratification of Remuneration to the Cost Auditors

### Postal Ballot

During the year 2023, postal ballot activities were not conducted by the Company.

## 10. Means of Communication

### Publication of Quarterly Results:

Pursuant to provisions of the SEBI Listing Regulations, periodical financial results and other publications of the Company are being published in widely circulated English newspapers (The Economic Times) and a Vernacular Marathi newspaper (Prabhat). Financial results, as soon as they are approved by the Board, are submitted with the Stock Exchanges (BSE & NSE).

### Website of the Company:

Apart from quarterly financial results, official news, press releases and other statutory and business information are displayed on the website of the Company: [www.schaeffler.co.in](http://www.schaeffler.co.in);

### Presentations made to Institutional Investors or to Analysts:

The Company regularly conducts Investor and analysts call after the declaration of Financial Results. The



Investor presentations made by the Company to analysts are submitted with the Stock Exchanges (BSE & NSE) and are also uploaded on the website of the Company. The recordings and transcripts of calls are also available on the website of the Company.

### Shareholders Plant visit 2023

The Company organized Shareholders' Plant visit to Savli, Vadodara, Gujarat plant on Thursday, December 7, 2023. This Plant Visit was organized considering various requests from the Shareholders. A communication in this regard, informing the Shareholders about the Plant Visit and explaining the eligibility criteria along with other terms and conditions for participation in the Plant Visit was sent to all the registered Shareholders of the Company. The Chairperson of the Company addressed the Shareholders and a presentation by the Managing Directors of the Company was made to the Shareholders during the Plant Visit. The visit was designed solely for the knowledge of the Shareholders.

## 11. General Shareholder Information

### (i) 61<sup>st</sup> Annual General Meeting is scheduled to be held:

On : Friday, the 26<sup>th</sup> day of April 2024

At : 3:30 PM

Mode : Video Conferencing /Other audio visual means

### (ii) Financial Year

The Hon'ble Bench of Company Law Board, New Delhi has approved the petition filed by the Company under Section 2(41) of the Companies Act, 2013 and allowed the Company to continue to follow 'Calendar Year' as the 'Financial Year'.

Financial year of the Company is a twelve-month period starting from January 1 to December 31.

Financial Reporting for the respective quarters of 2024 would be carried out within time limit, as per prevailing regulatory requirements.

### (iii) Record Date for Dividend/Cut-off date for e-voting:

Friday, April 19, 2024

### (iv) Date of Book Closure:

Saturday, April 20, 2024 to

Friday, April 26, 2024 (Both days inclusive)

### (v) Dividend

The Dividend for the year 2023 if declared at the 61<sup>st</sup> Annual General Meeting scheduled to be held on April 26, 2024, shall be paid within the time limit prescribed in the Companies Act, 2013.

### (vi) Listing of Equity Shares on Stock Exchanges

The Equity Shares of the Company are listed on:

- **BSE Limited (BSE),**  
Phiroze Jeejeebhoy Towers, Dalal Street,  
Mumbai – 400 001, Maharashtra, India.
- **National Stock Exchange of India Limited (NSE),**  
Exchange Plaza, C-1, Block "G", Bandra Kurla  
Complex, Bandra (E), Mumbai – 400 051,  
Maharashtra, India.

The requisite listing fees have been paid to the Stock Exchanges up to March 31, 2023.

### (vii) Custodial Fee to Depositories

The Company has paid Annual Custodial Fees for the year 2023 – 2024 to the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

### (viii) Stock Code

BSE Limited (BSE)	505790
National Stock Exchange of India Limited (NSE)	SCHAEFFLER
International Security Identification Number (ISIN)	INE513A01022
Corporate Identity Number [CIN]	L29130PN1962PLC204515



## Corporate Governance Report

### (ix) Market Price Data

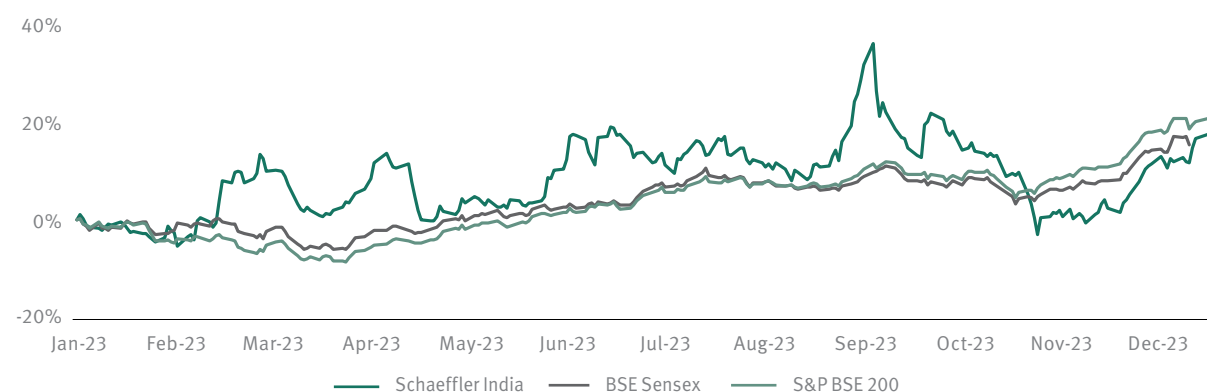
A summary containing monthly High/Low share prices at BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) is as under:

Month (For the year 2023)	Equity Shares			
	BSE		NSE	
	High	Low	High	Low
January	2,786.50	2,554.75	2,789.35	2,555.55
February	3,039.00	2,575.20	3,039.80	2,575.05
March	3,135.50	2,740.00	3,137.85	2,738.45
April	3,121.05	2,685.90	3,121.00	2,685.00
May	2,985.00	2,700.60	2,992.00	2,727.70
June	3,293.50	2,922.05	3,294.05	2,919.00
July	3,249.85	2,975.00	3,230.00	2,976.00
August	3,199.85	2,928.40	3,146.80	2,912.55
September	3,719.20	3,055.00	3,726.05	3,052.30
October	3,335.70	2,795.00	3,335.00	2,795.50
November	2,889.85	2,616.05	2,888.15	2,612.20
December	3,246.75	2,836.00	3,235.45	2,840.45

### (ix) Stock Performance

The performance of the Company's shares related to the BSE SENSEX and BSE SENSEX 200 for the year 2023 is given below:

#### Schaeffler India versus BSE SENSEX and BSE SENSEX 200 (January-December 2023)



### (xi) Registrar and Share Transfer Agent [RTA]

The details are as under:

Name : Link Intime India Private Limited  
 Address : "Geetakunj" 1, Bhakti Nagar Society,  
 Behind ABS Tower, Old Padra Road,  
 Vadodara – 390 015.  
 Phone No. : 0265 – 3566768  
 E-mail : [vadodara@linkintime.co.in](mailto:vadodara@linkintime.co.in)  
 Website : [www.linkintime.co.in](http://www.linkintime.co.in)

'Link Intime India Private Limited' is acting as 'Registrar & Share Transfer Agent' for Company's Equity Shares in physical and dematerialised form.

### (xii) Share Transfer System

SEBI has mandated that no share can be transferred in physical mode effective April 1, 2019. Hence, the Company has stopped accepting any fresh lodgement of transfer of shares in physical form.

In terms of amended Regulation 40 of the SEBI Listing Regulations w.e.f. 1 April 2019, transfer of securities in physical form shall not be processed unless the securities are held in the demat mode with a Depository Participant. Further, w.e.f. 24 January 2022, SEBI has made it mandatory for listed companies to issue securities in demat mode only while processing any investor service requests viz. issue of duplicate share certificates, exchange/sub-division/ splitting/consolidation of securities, transmission/ transposition of securities. Vide its Circular dated 25 January 2022, SEBI has clarified that listed entities/ RTAs shall now issue a Letter of Confirmation in lieu of the share certificate while processing any of the aforesaid investor service request.

Shareholders holding equity shares in physical form are urged to have their shares dematerialised



so as to be able to freely transfer them and participate in various corporate actions.

Trading in equity shares of the Company is permitted only in dematerialised form.

With an intention to expedite the process of share transmission, the Board of Directors has delegated authority in favour of Key Managerial Personnel, up to 5,000 shares per application. Further, the Board of Directors has delegated authority with regards to approval for issue of duplicate share certificates in lieu of lost/misplaced certificates, in favour of Stakeholders' Relationship Committee.

During the year, the Company had obtained, on yearly basis, a certificate, from a Company Secretary in Practice, certifying that no share certificate transfer request has been processed in view of restriction on processing transfer in

physical mode pursuant to clause 40(1) of the Listing Regulations. Pursuant to the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, certificates have been received from a Company Secretary in Practice for timely dematerialisation of Shares and for reconciliation of the Share Capital of the Company on a quarterly basis.

#### (xiii) Information of Dividend

The unclaimed or unpaid amount of dividend declared for the financial year ended on December 31, 2016 is due for transfer to "Investor Education and Protection Fund (IEPF)" on May 21, 2024.

Entitled Members are requested to lodge their claims before the last date for claiming unpaid/unclaimed dividend as shown in the table below for the dividend in respective years.

#### Details of unclaimed and unpaid dividend

Dividend for year ended	Date of declaration of dividend	Amount due for transfer to IEPF on	Amount lying unpaid (₹) as on 31, December 2023
December 31, 2016	April 21, 2017	May 21, 2024	900,084.50
December 31, 2017	April 17, 2018	May 24, 2025	1,277,601.45
December 31, 2018	April 30, 2019	June 6, 2026	1,440,330.27
December 31, 2019	June 30, 2020	July 30, 2027	1,402,321.82
December 31, 2020	April 27, 2021	May 28, 2028	1,041,578.00
December 31, 2021	April 27, 2022	May 28, 2029	2,252,143.00
December 31, 2022	April 18, 2023	April 17, 2030	3,084,407.40
<b>Total amount lying unpaid as on</b>	<b>December 31, 2023</b>		<b>11,398,466.44</b>

#### (xiv) Distribution of shareholding

Shareholding of Nominal Value of ₹	As on December 31, 2023				As on December 31, 2022				
	Number of Shareholders	% of Total Shareholders	Share Amount (₹)	% of Total Share Amount	Number of Shareholders	% of Total Shareholders	Share Amount (₹)	% of Total Share Amount	
1 to 1,000	69,733	96.75	4,406,680	1.41	1 to 1,000	54,361	95.58	4,516,888	1.44
1,001 to 2,000	980	1.36	1,503,838	0.48	1,001 to 2,000	1,052	1.85	1,608,094	0.51
2,001 to 4,000	580	0.80	1,687,690	0.54	2,001 to 4,000	586	1.03	1,738,580	0.56
4,001 to 6,000	217	0.30	1,101,518	0.35	4,001 to 6,000	220	0.39	1,115,190	0.36
6,001 to 8,000	93	0.13	651,592	0.21	6,001 to 8,000	110	0.19	769,794	0.25
8,001 to 10,000	80	0.11	747,592	0.24	8,001 to 10,000	90	0.16	843,970	0.27
10,001 to 20,000	130	0.18	1,936,280	0.62	10,001 to 20,000	154	0.27	2,262,462	0.72
20,001 to 99,999,999,999	261	0.36	300,572,150	96.15	20,001 to 99,999,999,999	299	0.53	299,752,362	95.89
<b>TOTAL</b>	<b>72,074</b>	<b>100.00</b>	<b>312,607,340</b>	<b>100.00</b>	<b>TOTAL :</b>	<b>56,872</b>	<b>100.00</b>	<b>312,607,340</b>	<b>100.00</b>

## Corporate Governance Report

### (xv) Category wise summary of Shareholding [As on December 31, 2023]

Sr. No.	Category	No. of shareholders <sup>1</sup>	No. of shares	%
1.	Promoters (Foreign entities)	4	115,863,235	74.13
2.	Mutual Fund	29	22,619,826	14.47
3.	Foreign Portfolio Investor (Corporate)	157	6,806,542	4.36
4.	Public	68,886	7,566,040	4.84
5.	Other Bodies Corporate	394	788,046	0.50
6.	Others	1,225	2,659,981	1.70
	<b>Total</b>	<b>70,695</b>	<b>156,303,670</b>	<b>100.00</b>

<sup>1</sup> Number of shareholders are clubbed based on unique Permanent Account Numbers.

### (xvi) Dematerialisation of Shares and liquidity

99.84% of the Paid-up Equity Share Capital is held in Dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited as on December 31, 2023.

	NSDL	CDSL	Physical	Total
Shares (nos.)	153,403,294	2,662,587	237,789	156,303,670
Shares (%)	98.14	1.70	0.16	100

### (xvii) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity: NIL

### (xviii) Commodity Price Risks or Foreign Exchange Risks and Hedging Activities:

The Company has adequate risk assessment and minimisation system in place including for commodities as well as foreign exchange. The foreign exchange risk is managed through the hedging strategy of the Company which is reviewed periodically. The Company does not have material exposure for any commodity and accordingly, no hedging activities for the same is carried out. Therefore, there is no disclosure to offer in terms of circular of SEBI dated November 15, 2018.

### (xix) Plant Locations

The manufacturing activities are being carried out from the plants located at Talegaon (Pune), Maneja (Vadodara), Savli (Vadodara) and Hosur (Krishnagiri).

### (xx) Address for correspondence

Shareholders/Beneficial owners are requested to correspond with the Company's RTA as shown in Para (xi) above with respect to any query, request, information or clarification pertaining to shares and are further advised to quote their folio number, DP & Client ID number as the case may be, in all correspondence with the RTA. Additionally, shareholders may correspond with the Company at the following addresses:

### Registered & Corporate Office:

15<sup>th</sup> Floor, (ASTP) Amar Sadanand Tech Park, Baner, Pune – 411 045 (MH) India.

Phone : +91 20 68198400

E-mail : [investorsupport.in@schaeffler.com](mailto:investorsupport.in@schaeffler.com)

### (xxi) Other useful information to shareholders

#### ECS/NECS Facility

The Company uses "National Electronic Clearing Services" (NECS) facility for remitting dividend to its shareholders wherever available.

To enable remittance of dividend through NECS, Members are requested to provide their account number allotted to them by their respective banks after implementation of CBS. The account number must be provided to the Company in respect of shares held in physical form and to the Depository Participants in respect of shares held in electronic form.

#### Nomination in Respect of Shares

Section 72 of the Companies Act, 2013 provides facility for making nominations by Members in respect of their holding of shares. Such nomination greatly facilitates transmission of shares from the deceased Member to his/her nominee without being required to go through the process of obtaining Succession Certificates/ Probate of the Will, etc. It would, therefore, be in the best interest of the Members holding shares as a sole holder to make such nomination. Members holding shares in physical mode are



advised to submit form SH-13 to the Registrar and Share Transfer Agent of the Company for making nomination. Members holding shares in demat form are advised to contact their DP for making nominations. Members are further requested to quote their E-mail IDs, DP ID and Client ID, Telephone/Fax numbers for prompt reply to their communication.

### KYC

Please refer to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021 issued by SEBI that mandates all the listed companies to record the PAN, Address with PIN code, Email address, Mobile Number, Bank Account details, Specimen Signature and Nomination by holders of physical securities. Necessary communication for KYC updation has been sent to the shareholders holding shares in physical mode.

Please refer to the SEBI circular dated January 25, 2022 bearing Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 pursuant to Issuance of Securities in dematerialised form in case of Investor Service Requests which states that henceforth listed companies shall issue the securities in dematerialised form only while processing certain service request. Investors holding securities in physical mode are advised to take a note of instructions mentioned in the said circular and get in touch with Link Intime India Private Limited, Registrar and Share Transfer Agent (RTA) of the Company for processing certain service requests. (Link: <https://liiplweb.linkintime.co.in/KYC-downloads.html>)

Members are requested to note that pursuant to the SEBI circulars dated November 03, 2021, December 14, 2021, March 16, 2023 and November 17, 2023, it is mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from April 01, 2024. Members are requested to take note of the above and ensure compliance to the directions from SEBI.

To avoid any inconvenience by shareholder holding share(s) in Physical form in future for investor service request, they are hereby informed to comply with applicable SEBI requirements.

## 12. Disclosures

- (i) The Board has received disclosures from the Senior Management relating to material, financial and commercial transactions, where they and/or their Relatives have personal interest. There are no materially significant Related Party Transactions of the Company, which have potential conflict with the interest of the Company at large; however, transactions with Related Parties as per requirements of applicable Accounting Standard are disclosed under notes to accounts.
- (ii) All transactions with Related Party, as defined under the Companies Act, 2013, the Listing Regulations, during the year were in ordinary course of business and at arm's length basis and do not attract provisions of Section 188 of the Companies Act, 2013. The Board has approved a policy on dealing with related party transactions, and the same has been uploaded on the Company's website at <https://www.schaeffler.co.in/en/investor-relations/corporate-governance/codes-and-policies/>
- (iii) The Company has established Vigil Mechanism to provide for safeguarding against victimisation of Directors, employees, or any other person who follow such mechanism. The Board has approved Whistle- Blower Policy/establishment of Vigil Mechanism pursuant to the provisions of the Companies Act, 2013 and the SEBI Listing Regulations and is available at <https://www.schaeffler.co.in/en/investor-relations/corporate-governance/codes-and-policies/>.

As per the Policy, no personnel are denied access to the Audit Committee.

- (iv) There have been no instances of non-compliance and no penalties or strictures have been imposed on the Company on any matter relating to the capital markets, either by Stock Exchanges, the Securities and Exchange Board of India or any other statutory authority during the last three years.

## Corporate Governance Report

- (v) The Company has adopted and complied with mandatory requirements as per provisions of the Listing Regulations. Some of the non-mandatory requirements have also been complied with.
- (vi) The requisite certificates from CEO and CFO were placed before the Board Meetings for consideration.
- (vii) The Company has complied with the Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.
- (viii) To determine 'Material Subsidiary', the Company has adopted a 'Policy on Determination of 'Material' Subsidiary and the same has been hosted on the website of the Company on the following web link:- <https://www.schaeffler.co.in/en/investor-relations/corporate-governance/codes-and-policies/>.
- (ix) The Company has formulated the Dividend Distribution Policy as required under Regulation 43A of the Listing Regulations and the same is annexed as Annexure - A to this report and also available on the website of the Company at <https://www.schaeffler.co.in/en/investor-relations/corporate-governance/codes-and-policies/>.
- (x) Disclosures required under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 have been included in the Directors' Report which forms part of the Annual Report.
- (xi) During the year under review, there were no instances wherein recommendation of any Committee of the Board, which is mandatorily required for approval of the Board, were not accepted by the Board.
- (xii) Details of total fees for all services paid by the Company and its Subsidiary to the Statutory Auditor and all entities in the network firm/ network entity of which the Statutory Auditor is a part have been included in the notes to financial statements which forms integral part of the Annual Report.
- (xiii) A Certificate required from a Practicing Company Secretary with regards to debarment / disqualification of any of the Directors on the Board of the Company from being appointed or continuing as Directors of the Company by the SEBI / Ministry of Corporate Affairs or any such statutory authority is annexed to this report.
- (xiv) Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the Listing Regulation: Not Applicable
- (xv) Details of Loans and advances in the nature of loans to firms/companies in which directors are interested, if any by name and amount are provided in the notes to financial statements which forms integral part of the Annual Report
- (xvi) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries: Not Applicable as the Company does not have any Material subsidiary as of the date of this report.

### 13. Demat suspense Account/Unclaimed suspense account

The Company has transferred shares, the certificates of which remained unclaimed to the Unclaimed Suspense Account of the Company and these shares are being held by the Company in Demat form on behalf of the beneficial owners of the said shares.

The disclosures with respect to the Unclaimed Suspense Account are as under:

Particulars	Number of shareholders	Number of shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	26	12050
Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	1	500
Number of shareholders to whom shares were transferred from suspense account during the year	1	500
Number of shareholders whose shares were transferred to the Investor Education Protection Fund	2	1125
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	23	10425



The voting rights on the shares in the Unclaimed Suspense Account shall remain frozen till the rightful owner of such shares claims the shares.

### Adoption of Discretionary Requirements

[Reg. 27(1) read with Part E of Schedule II of the Listing Regulations]

#### (A) The Board

E. V. Sumithasri, Non-Executive Chairperson, is entitled to maintain a Chairperson's office at the Company's expense which includes office rentals and assistant, car facility and independent advise from the law firm as and when required. The total expenses incurred for maintaining the Chairperson's office were INR 6.4 Mn. for FY 2023.

#### (B) Modified Opinion(s) in Audit Report

The Auditors have issued Audit Report for the year 2023 with unmodified opinion(s).

#### (C) Reporting of Internal Auditor

The Head of Internal Audit reports to the Chairperson of the Audit Committee.

#### (D) Separate posts of Chairperson and the Managing Director or the Chief Executive Officer:

E. V. Sumithasri is a Chairperson and Independent Director and Harsha Kadam, is designated as Managing Director and Chief Executive Office of the Company

For and on behalf of the Board

**E. V. Sumithasri**

Chairperson

DIN: 07087197

Bangalore: February 16, 2024.

To,  
The Members of Schaeffler India Limited

#### Re.: Declaration by CEO

I, Harsha Kadam, Managing Director of Schaeffler India Limited, hereby declare that to the best of my knowledge and belief, all members of the Board of Directors and Senior Management Personnel have confirmed compliance with Company's Code of Conduct for the year ended on December 31, 2023.

Pune: February 16, 2024.

**Harsha Kadam**  
Managing Director & CEO  
DIN: 07736005



## Corporate Governance Report

# Dividend Distribution Policy

(Annexure A to Corporate Governance Report)

### 1. Introduction

In accordance with the provisions of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016 made effective from July 8, 2016, the top five hundred listed entities based on market capitalisation (calculated as on March 31 of every financial year) are required to formulate 'Dividend Distribution Policy'. The 'Schaeffler India Limited' is ranked 141 as on the effective date of regulation (published in the Official Gazette on July 8, 2016), and therefore this 'Dividend Distribution Policy' (the Policy) is formulated with an objective and scope as under. This Policy will come into effect from the effective date of regulation i.e. July 8, 2016.

### 2. Objectives

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations with an ultimate aim to increase the value of investment made by the Shareholders. This Policy is aimed for the investors to take a well informed decision for their investment based upon the Company's criteria to deal with earned/retained profits.

### 3. Scope

This Policy intends to bring transparency, on the basis to prevailing circumstances in the Company/Industry – it operates, with respect to deal with distribution of earned/retained profit amongst its existing equity shareholders. This Policy is and shall be governed under the applicable legal provisions viz;

1. The Companies Act 2013 (Chapter VIII and other applicable provisions),
2. Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015,
3. The Companies (Declaration and Payment of Dividend) Rules, 2014 and
4. Any amendment therein made applicable from time to time.

### 4. Definitions:

4.1 **"Act"** means the Companies Act, 2013, or any statutory modification or re- enactment thereof and includes any Rules and Regulations framed thereunder.

4.2 **"Company"** means Schaeffler India Limited.

4.3 **"Dividend"** Under Section 2(35) of the Companies Act, 2013, "Dividend" includes any 'interim dividend'. In common parlance, "dividend" means the profit of a company, which is not retained in the business and is distributed among the shareholders in proportion to the amount paid-up on the shares held by them.

4.4 **"Free Reserves"** means reserves the utilisation of which is not restricted in any manner.

4.5 **"Interim Dividend"** means the Dividend declared in a Meeting of the Board of Directors.

4.6 **"Member"** means any person who agrees, either by subscribing to the Memorandum of Association of the company or by applying in writing, to become a Member of the company and whose name is entered either in the Register of Members of the company or in the records of the depository as a beneficial owner in respect of the shares of the Company held by him.

### 5. Policy on Declaration of Dividend

The Company may declare dividend considering;

- (A) The circumstances under which its shareholders can or cannot expect dividend, which includes;
  - (i) The Company's Performance trend,
  - (ii) Past years' (at least 5 years) track record of Dividend Rate, Dividend Outflow including taxes thereon,
- (B) The Company's Financial Parameters, including;
  - (i) Company's Profitability,
  - (ii) Value Added,
  - (iii) Earning per Share (EPS)
  - (iv) Free Cash Flow
- (C) Internal & External Factors, including;
  - (i) Business/Financial Projections for Mid Term Period,
  - (ii) Unplanned Liabilities,
  - (iii) Likely financial risks,
  - (iv) Regulatory Changes,
  - (v) Industry trend, market challenges and growth optimism



- (D) Mode of utilisation of retained earnings, including;
- (i) Business Growth & Expansion,
  - (ii) Market Development,
  - (iii) Better Resources Utilisation,
  - (iv) Research & Development,
  - (v) Reducing Long Term Liabilities
  - (vi) Dividend And
- (E) Other parameters as decided by the Board, provided the Policy is revised to the extent of incorporating those parameters and disclosed on the Company's website together with its rationale.

## 6. Target Dividend

- The Company has adopted a progressive dividend policy, intending to sustain or raise the dividend each year, in conjunction with the financial performance and cash profit generation each year.
- Subject to the circumstances and scenarios mentioned in the Policy, the Company shall endeavour to consider a total dividend pay-out ratio in the range of 30% to 50% of the annual standalone profits after tax (PAT) to be announced by the Company from time to time, subject to the applicable rules and regulations.

## 7. Distribution of Dividend

- (A) Periodicity:
- (i) During the Financial Year –  
The Board of Directors of the Company may declare Interim Dividend during any financial year.
  - (ii) On Completion of Financial Year -  
The Board of Directors of the Company may recommend a Dividend for respective financial year and may be declared in the Annual General Meeting.
- (B) Dividend Entitlement:

The members, whose name appear in the Register of Members as on the Record Date / Book Closure, shall be entitled for the dividend.

(C) Mode of Payment:

The payment of the dividend would be in cash;

- (i) Through electronic clearing services (local, regional or national), direct credit, real time gross settlement, national electronic funds transfer etc. for making payment of dividend. OR
- (ii) Through issuance of 'payable-at-par' warrants/cheques/demand drafts, in case where bank details are not available or the electronic payment instructions have failed or have been rejected by the bank,

(D) Transfer to IEPF:

The dividend remained unpaid and unclaimed for a period of 7 (seven) years (as per the provisions of sections 124(5) of the Companies Act 2013) shall be transferred to Investors Education and Protection Fund set up by the Government in that regard.

## 8. Policy Review/Amendments

In case of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulations which makes any of the provisions in the Policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with law.

i. Statutory Updates

This Policy shall be considered as updated automatically, without any formal approval, to the extent it needs to be aligned with any change in law. An update thereon would be reported to the Board of Directors.

ii. Other updates

All major procedural updates, shall be effective only if, those are carried out after the review and approval of the Board of Directors.

## Corporate Governance Report

# Corporate Governance Compliance Certificate

For the Financial Year ended December 31, 2023

[Pursuant to Schedule V – Part E of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015]

### To the Members of Schaeffler India Limited

We have examined the compliance of the conditions of Corporate Governance by Schaeffler India Limited (“Company”) for the financial year ended December 31, 2023 (“review period”) as per the relevant provisions of Securities and Exchange Board of India (“SEBI”) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulation”).

The Compliance of conditions of Corporate Governance is the responsibility of the Company’s Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Governance. It is neither an audit nor an expression of an opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

We state that in respect of investor grievances received during the review period, no investor grievance is pending against the Company, as per the records maintained by the Company and presented to the Stakeholders’ Relationship Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**Suresh Kumar Kabra**

Partner

**Samdani Kabra & Asso.**

Company Secretaries

ACS No. 9711 | CP No. 9927

ICSI Peer Review # 884/2020

ICSI UDIN: A009711E003415091

Place: Vadodara

Date: February 16, 2024



# Certificate of Non-Disqualification of Directors

[Pursuant to Regulation 34 (3) and Schedule V Part C Clause 10 (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Members of

**Schaeffler India Limited**

15<sup>th</sup> Floor, ASTP (Amar Sadanand Tech Park) Baner,  
Pune, Maharashtra, India, 411045

We have examined the Registers, Papers, Books, Records, Forms, Returns, Declarations, Disclosures and other related documents, of **Schaeffler India Limited** ('the Company'), having CIN: L29130PN1962PLC204515, having registered office situated at 15<sup>th</sup> Floor, ASTP (Amar Sadanand Tech Park) Baner Pune, Pune-411045, Maharashtra, India, as produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Clause 10(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company, its officers and representatives, we hereby certify that none of the Directors on the Board of the Company, as stated below for the Financial Year ending on December 31, 2023, have been debarred or disqualified from being appointed or continuing as Director of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Date of Appointment
1.	Arvind Balaji	00557711	06/11/2019
2.	Avinash Gandhi <sup>1</sup>	00161107	20/04/2006
3.	Dharmesh Arora	05350121	06/03/2017
4.	Harsha Kadam	07736005	01/10/2019
5.	Renu Challu	00157204	06/11/2014
6.	Satish Patel	00690869	13/02/2019
7.	Amit Kalyani	00089430	11/02/2020
8.	Eranti Sumithasri	07087197	15/07/2020
9.	Corinna Schittenhelm <sup>2</sup>	09257159	12/09/2021
10.	Andreas Schick	09257160	28/10/2021

<sup>1</sup> Avinash Gandhi ceased to be Director of the Company effective from 06.02.2023 (after business hours).

<sup>2</sup> Corinna Schittenhelm ceased to be Director of the Company effective from 31.12.2023 (after business hours).

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Suresh Kumar Kabra**

Partner

**Samdani Kabra & Asso.**

Company Secretaries

ACS No. 9711 | CP No. 9927

ICSI Peer Review # 884/2020

ICSI UDIN: A009711E003415333

Place: Vadodara

Date: February 16, 2024