

CEIGALL INDIA LIMITED

Terms and conditions of Appointment of Independent Directors

The terms and conditions of appointment of the Independent Directors are subject to the extant provisions of the:

- (i) applicable laws, including the Companies Act, 2013 (“Act”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), and
- (ii) Articles of Association of the Company.

The broad terms and conditions of their appointments as Independent Directors (“ID’s”) of the Company are set forth hereunder:

1. APPOINTMENT

The appointment of an Independent Director will commence from the effective date of appointment for the period as may be decided at the time of the appointment. The Company may disengage an Independent Director prior to completion of his/ her term subject to compliance of relevant provisions of the Act and rules made thereunder.

The Independent Director will not be liable to retire by rotation. The appointment is also subject to the maximum permissible directorship that one can hold as per the provisions of the Act.

2. INDEPENDENT DIRECTOR

Independent Director means a non-executive director, other than a nominee director. Rest of the criteria to become an Independent Director must be complied with as per the requirement prescribed under the provisions of the Act.

3. TRAINING OF THE BOARD

Every new Independent Director of the Board will attend an orientation program. Presentations will be made by senior managerial personnel to the newly appointed Independent Director. The presentations will inter alia cover an overview of the strategy and operations to familiarize the new inductees about the vision, ideology, strategy, operations and functions of Company.

4. ROLE, DUTIES AND RESPONSIBILITIES

- A. As members of the Board, an Independent Director along with the other Directors will be collectively responsible for inter alia meeting the:

- requirements under the Act,
 - accountability under the Director’s Responsibility Statement.
- B. The Independent Directors shall abide by the “Code for Independent Directors” as outlined in Schedule IV of the Act, and duties of directors as provided in the Act.
- C. The Independent Directors are particularly expected to provide guidance in the area of their expertise.

5. DIRECTORS’ FEES/ REMUNERATION

A sitting fee will be paid to the Independent Director for attending each meeting of the Board as well as the Committee meetings, as may be decided by the Board from time to time in accordance with the limits prescribed under the Act and rules made thereunder.

In addition to the sitting fees, the Company may pay / reimburse to any Director such fair and actual reasonable expenditure, as may have been incurred by the Director while performing his / her role as a Director of the Company.

6. DISCLOSURE OF INTEREST

During the term, the Independent Director agrees to promptly notify the Company of any change in his/ her directorships and provide such other disclosures and information as may be required under the applicable laws. The Independent Director also agrees that upon becoming aware of any potential conflict of interest with his/ her position as Independent Director of the Company, he/ she shall promptly disclose the same to the Board and the Company Secretary.

During the term, he/ she agrees to promptly provide a declaration under Section 149(7) of the Act, upon any change in circumstances which may affect his/ her status as an Independent Director.

7. PERFORMANCE EVALUATION

The evaluation of independent director shall be done by the entire Board of Directors which shall include -

- (a) performance of the directors; and
- (b) fulfilment of the independence criteria as specified herein and his/ her independence from the management:

Provided that in the above evaluation, the directors who are subject to evaluation shall not participate.

8. CODE OF CONDUCT

An Independent Director shall follow the Code of Conduct of the Company and furnish annual affirmation of the same.

Independent Director will apply the highest standards of confidentiality and not disclose to any person (whether during the course of the tenure as Independent Director or at any time after cessation) any confidential information concerning the Company including any that of subsidiary or associate thereof with which he/ she come into contact by virtue of the position as an Independent Director, except as permitted by law or with prior clearance from the Board of Directors of the Company.

9. CHANGES OF PERSONAL DETAILS

During the term, the Independent Director shall promptly intimate the Company Secretary and the Registrar of Companies in the prescribed manner, of any change in address or other contact and personal details provided to the Company.

10. DISENGAGEMENT

Independent Director may resign from the position at any time and if he/ she wishes to do so. He/ she is expected to serve a reasonable written notice. The resignation shall take effect from the date specified in the notice.

The directorship of the Independent Director shall cease in accordance with law. The Company may disengage Independent Director prior to completion of his /her term (subject to compliance of relevant provisions of the Act) upon:

- violation of any provision of the Code of Conduct, or
- upon the director failing to meet the criteria for independence as envisaged in Section 149(6) of the Act.