



NILACHAL REFRACTORIES LIMITED
CIN: L26939OR1977PLC000735
30, J.L. Nehru Road, Kolkata – 700016, W.B. Ph.: 033 – 224 99511,

General terms and conditions of appointment of Independent Directors

1. Terms of Appointment

- The Independent Directors will be appointed as a Non-Executive Independent Director on the Board of Directors of the Company. Their appointment is subject to approval of the Board of Directors, election and appointment by the Shareholders as per the provisions of the Companies Act, 2013. Their appointment is also subject to the maximum permissible Directorships that one can hold as per the provisions of the Companies Act, 2013 and the Listing Agreement any other laws as applicable from time to time.
- The term Independent Director should be construed as defined under the Companies Act, 2013 and the Listing agreement any other laws as applicable from time to time.
- The Company has adopted the provisions with respect to appointment and tenure of
- Independent Directors which is consistent with the Companies Act, 2013 and the Listing Agreement. Accordingly, the Independent Directors will serve for not more than two terms of five years each on the Board of the Company.

2. Duties:

In addition to their role as a Director, the Board may nominate Independent Director as the Chairman / Member of other Board Committees, as it may deem fit from time to time.

Further, schedule IV of the new Companies Act, 2013 prescribes certain duties of Independent Directors.

3. Remuneration:

The Independent Director will be paid such remuneration by the way of sitting fees for the meeting of Board and its Committees as may be decided by the Board from time to time in



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accordance with the limit prescribed under the Companies Act, 2013 and rules made there-under. Further, at present the company is not paying any sitting fees to its Independent Directors.

4. Conflict of Interest:

- It is accepted and acknowledged that independent directors may have business interests other than those of the Company. As a condition of their appointment commencing, they are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of the appointment.
- In the event that circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead the Board to revise its judgment on the independence of the director, this should be disclosed to both the Board and the Secretary by the director.

5. Confidentiality

All information acquired during appointment is confidential to Company and should not be released, either during the appointment or following termination (by whatever means) to third parties without prior clearance from the Chairman unless required by law or by the rules of any regulatory body.

6. Evaluation

The Company has adopted a policy on Board Evaluation. The Remuneration policy provides for evaluation of the Board, the Committees of the Board and individual Directors. As per the Policy, the Company will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors on an annual basis. The appointment and re-appointment of independent director on the Board shall be subject to the outcome of the yearly evaluation process.

7. Disclosure of Interest

Independent Directors shall disclose any material interest that they may have in any transaction or arrangement that the Company has entered into. Such interest should be disclosed no later than when the transaction or arrangement comes up at a Board meeting



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so that the minutes may record the interest appropriately. A general notice of interest in any contracts with a particular person, firm or company is acceptable.

8. Termination

- Independent director may resign from his position at any time on serving a reasonable written notice on the Board.
- Continuation of the appointment is contingent on his getting re-elected by the shareholders in accordance with provisions of Companies Act, 2013 and the Articles of Association of the Company, from time to time in force.
- Appointment of independent director may also be terminated in accordance with the provisions of the Articles of Association of the Company from time to time in force.

The Board may prescribe any further duties and responsibilities, including as per the applicable statutory provisions.