

NEOGEM INDIA LIMITED

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

[Pursuant to the provisions of Schedule IV to the Companies Act, 2013 (“the Act”) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The broad terms and conditions of appointment of Independent Directors (IDs) are reproduced hereunder:

Appointment of Independent Directors (IDs) of the Company will be for a term of five years in accordance with the provisions of the Companies Act, 2013 and Rules made there under and Listing Agreement.

Appointment

Term of IDs shall expire on completion of five years subject to meeting the criteria for being an ID and not being disqualified to be a Director under the applicable regulations and IDs shall not be subject to retirement by rotation during this period.

Re-appointment at the end of the term shall be based on the outcome of performance evaluation process and IDs continuing to meet the independence criteria, subject to the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) in this regard.

Role on the Board

As a Non-Executive Independent Directors, they are expected to bring objectivity and independence of view to the Board’s discussion and to help provide the Board with effective leadership in relation to the Company’s strategy, performance, and risk management as well as ensuing high standards of financial probity and corporate governance.

In addition to routine Board Meetings, IDs should allow time for Committee Meetings, preparatory work and travel, and ensure that they are in a position to make the necessary overall time commitment.

IDs may be nominated on one or more Committees of the Board and in such event they will be provided with the relevant Committee’s terms of reference and any specific responsibilities.

Duties & Liabilities

The duties and liabilities that come with IDs appointment would be as per the provisions of Companies Act, 2013 (including Rules there under), other laws applicable to the Company, Company’s policies, Code of Conduct and the Articles of Association of the Company, and the LODR as may be amended from time to time.

IDs will apply the highest standards of confidentiality, and not disclose to any person or Company (whether during the course of the tenure as Non-Executive Independent Director or at any time after their cessation), any confidential information concerning the Company and any Group Companies with which IDs come into contact by virtue of their position as a Director, except as permitted by law or with prior clearance from the Board of Directors.

IDs will observe requirements under the Companies Act, 2013 and LODR, which inter-alia requires that price-sensitive information is not used or transmitted and maintained securely. IDs should not make any statements that might risk a breach of these requirements.

In case IDs so desire, Company would provide support to help them familiarise with their relevant duties and obligations.

Participation in Board/Committee Meetings through video conferencing etc.

IDs may give their consent by advance notification to the Management to participate in any meeting(s) of the Board or Committee of Directors, when necessary through video conferencing or other audio visual means, except for matters not to be so dealt under the Companies Act, 2013.

Evaluation Processes

IDs performance evaluation shall be done by the Board of Directors of the Company annually, without IDs participation. IDs will participate in reviewing the performance of other Directors and the Board as a whole.

Remuneration

IDs annual remuneration will be as under:

- a) Sitting fees for attending each Meeting of the Board and its Committee as may be determined by the Board from time to time; and
- b) Commission that may be determined by the Board based on the performance of the Company and IDs performance evaluated by the Board of Directors.

IDs will be entitled to take reimbursement of expenses incurred by them in connection with attending the Board Meetings, Committee Meetings, General Meetings and other meetings in relation to the business of the Company.

Pursuant to the provisions of the Companies Act 2013 IDs will not be entitled to any stock options during their tenure as Independent Director

Training

IDs will be entitled to training program for familiarizing themselves with the business and affairs of the Company, its growth plans, the peculiarities of the industry in which it operates its goals and expectations and long term plans and objectives.

Publication of the letter of appointment

In line with provision of sub clause 6 of Clause IV of Schedule IV to the Companies Act, 2013, the Company will be making public the terms and conditions of IDs appointment by posting the same on the Company's website.

General

All the terms as mentioned above including IDs appointment, professional conduct, role and functions, duties and evaluation shall be governed by the Companies Act, 2013, Rules made thereunder and LODR as amended from time to time.

This Letter and any non-contractual obligations arising out of or in connection with this Letter are governed by, and shall be construed in accordance with the laws of India and subject to the exclusive jurisdiction of the Courts of India.