

# NAGA LIMITED



## TERMS OF APPOINTMENT OF INDEPENDENT DIRECTORS

The appointment shall not be subject to rotation as per the provisions of sub-section (6) of Section 152 of the Act.

The appointment as Independent Director of the Company was based, inter alia, on declaration by the concerned director that he/she comply with the conditions of independence as listed in Section 149(6) of the Act, read with relevant rules. If there is any change in circumstances affecting his/her independence, he/she is required to immediately let the Board of Directors know of the same, in terms of Section 149(7) of the Act.

The appointment will also terminate automatically on the expiry of the term of appointment as above, or if he/she vacates his/her office in terms of Section 167 of the Act. There is no compensation for termination of office in any circumstance.

### DUTIES:

As an independent director, the function and duties shall include the functions and duties specifically set out in Code of Independent Directors of the Company prepared in accordance with Schedule IV to the Act.

Committees membership: He/She currently serve as member of Nomination and Remuneration Committee and Audit Committee. The concerned independent director may also be required to serve on any other sub-committee of the Board and/or to accept additional appointments in or on behalf of the Company where best practice requirements dictate that an independent, non-executive presence is required.

### REMUNERATION:

The Independent Director will be entitled to such sitting fees for attending the meeting of Board or any Committee thereof as may be approved by the Board from time to time. Expenses incurred by the independent director for the purpose of attending any meeting of the Board, or for participating through video conferencing as permitted by the Board, will be reimbursed separately as per the Company's normal policy on reimbursements.

Currently no commission is payable by the Company but the independent director will be entitled for a commission whenever the same is recommended by the Board of Directors and approved by the Shareholders of the Company.



Regd Office : No.1, Annapillai Street, Chennai - 600 001. Tamil Nadu, India.

CIN : U24246TN1991PLC020409

Administrative & Head Office : No.1, Trichy Road, Dindigul - 624 005. Tamil Nadu, India.

Ph : 0451-2410121, 2410168

Email : nagalimited@nagamills.com Website : www.nagamills.com

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The Independent Director will be entitled without prior notification to the Company to seek appropriate independent legal advice in relation to Company matters at the expense of the Company as may be decided by the Board from time to time (including applicable taxes) during the course of their appointment.

## GENERAL:

Fiduciary duties and accompanying liabilities: The Independent Director will be expected to perform their general fiduciary duties and exercise the skill and care expected of every Director. They do not have authority to commit the Company in any way, nor should you make any statements on the Company's behalf or concerning the Company to the media, financial institutions or anyone associated with the stock market or investor community without the express authorisation of the Board. The Independent Director will be held liable, only in respect of such acts of omission or commission by a company which have occurred with their knowledge, attributable through Board processes, and with their consent or connivance or where they have not acted diligently.

The Code of Business Ethics that the Company expects its directors and employees to follow needs to be adhered to.

The list of actions that a director should not do while functioning as such in the company includes the following:

- Any action that involves any violation of applicable law;
- Any action that involves any breach, in letter and spirit, of the Company's Code of Business Ethics;
- Any action that either involves the directors' personal interest, except as disclosed as per applicable law, or unduly compromises or conflicts with the interest of the company.

We confirm that:-

- the independent director will be given full access to all information in or about the Company and its affairs which is available to the Executive Directors; and
- agendas for Board meetings and all relevant papers which require study before Board meetings will be provided to them in good time (save in exceptional circumstances) to allow them to consider them in advance of meetings (and likewise for the proceedings of committees).

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