

## **THE BIRLA COTTON SPINNING AND WEAVING MILLS LIMITED**

**Terms and conditions of appointment of Independent Directors of the Company in accordance with the requirements of Schedule IV to the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:**

**Shri Ankush Singhal** has been appointed as an Independent Director of the Company for a term of 5 (five) consecutive years with effect from 24<sup>th</sup> May, 2024.

### **Terms and conditions of appointment of Independent Directors:**

#### **1. Term**

The Appointment is for a term commencing from 24<sup>th</sup> May, 2024 to 23<sup>rd</sup> May, 2029 (the "Termination Date"). Unless the Appointment is renewed on or prior to the Termination Date, she will cease to hold office as a director of the Company immediately after the Termination Date.

#### **2. Duties and Liabilities:**

- 2.1 The Independent Director will perform her fiduciary duties in a responsible manner and her general legal responsibilities to the Company will be at par with a nonexecutive director.
- 2.2 The Independent Director shall while discharging her duties, comply with the requirements of Section 166 and Schedule IV of the Companies Act, 2013 ("the Act").
- 2.3 The Independent Director will be held liable only in respect of such acts of omission or commission by the Company which have occurred with her knowledge, attributable through Board processes, and with her consent or where she has not acted diligently.

#### **3. Code for Independent Directors:**

- 3.1 The Company has relied on the declaration of the Independent Director that she meets the criteria of independence as provided in Section 149(6) of the Act as also in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").
- 3.2 The Independent Director will be required to abide by the guidelines as to professional conduct for independent directors as set out in Section 149(8) read with Schedule IV to the Act.

3.3 The Independent Director will be required to comply with applicable provisions of any code of conduct framed by the Board of Directors of the Company.

#### **4. Time Commitment:**

By accepting the Appointment the Independent Director confirms that he will be able to allocate sufficient time to perform her duties as a director and attend meetings of the Board or any committee thereof. In addition to such attendances, she will be expected to devote appropriate preparation time ahead of each meeting.

#### **5. Training and Development:**

5.1 The Independent Director will be invited to attend ongoing training and familiarization sessions for Directors .

5.2 The Board of Directors are provided with necessary documents / brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

5.3 Periodic presentations are made at the Board and Board Committee meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved.

#### **6. Confidentiality:**

The Independent Director agrees that both during and after the term of Appointment, she will not use for her own, or for another's benefit, or disclose or permit the disclosure of any confidential information relating to the Company, subsidiary or any group or associate companies of the Company, which he may acquire by virtue of her position as an independent director, including without limitation, any information about the deliberations of the Board. The restriction shall cease to apply to any confidential information which may (other than by reason of the director's breach of this term), become available to the public generally.

#### **7. Board Committees**

The Company has in place certain Committee(s) of Directors of the Company. Subject to the applicable laws and as deemed fit by the Board, Independent Director may be required to serve on one or more committees of the Board. Upon nomination of Independent Director to any one or more committee, she will be provided with the appropriate committee charter which would set out its functions.

#### **8. Attendance of Independent Director**

Time commitment of Independent Directors is anticipated involving attendance at all Board and committee meetings (of which Independent Directors are a member); and the general meetings of the members. In terms of the Act, the Independent Directors are required to hold atleast one separate meeting, without the attendance of Non-Independent Directors and members of management. The Independent Directors shall strive to be present at such meeting(s).

## **9. Functions, Duties and Liabilities of Independent Director under Act.**

Functions and duties, of the Independent Directors, shall be as such outlined in para II and III of Schedule IV of the Act, as amended from time to time.

### Liabilities

As per provisions of the Act, Independent Director shall be held liable, only in respect of such acts of omission or commission by the Company which had occurred with her knowledge, attributable through Board processes, and with her consent or connivance or where he had not acted diligently.

## **10. Memberships of other boards**

It is expected that Independent Director will not serve on the board of competing companies. Apart from the applicable provisions of law on maximum number of directorships and good corporate governance practices, there are no other additional limitations.

## **11. Fees/reimbursement of expenses**

The Company shall pay or reimburse on actual basis, fair and reasonable incidental expenditure, incurred by an Independent Director while performing the role as an Independent Director.

## **12. Evaluation**

The performance of Independent Directors shall be evaluated periodically, in terms of the provisions of the Act.