

|| Shree Ganeshaya Namah||

## **NANDINI TEXCOM (INDIA) LIMITED**

**CIN: L65910GJ1994PLC021165**

**Reg. Office: B-304, International Commerce Center, Near Kadiwala School, Ring Road, Surat-395002.**

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### **1. Definitions**

- 'Act' means the Companies Act, 2013 and Rules thereunder.
  - 'Board' means the Board of Directors of [Company Name].
  - 'Independent Director (ID)' has the meaning as defined under Section 149(6) of the Act and Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015.
  - 'SEBI LODR' means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
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### **2. Eligibility Criteria**

"Independent Director" means a non-executive Director, other than a nominee Director of the listed entity:

(a) who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;

(b) (i) who is or was not a promoter of the company or its holding, subsidiary or associate company; (ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;

(c) who has or had no pecuniary relationship, other than remuneration as such director or having transaction not exceeding ten per cent. of his total income or such amount as may be prescribed,] with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;

(d) none of whose relatives—

(i) is holding any security of or interest in the company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year:

Provided that the relative may hold security or interest in the company of face value not exceeding fifty lakh rupees or two per cent. of the paid-up capital of the company, its holding, subsidiary or associate company or such higher sum as may be prescribed;

(ii) is indebted to the company, its holding, subsidiary or associate company or their promoters, or directors, in excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;

(iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters, or directors of such holding company, for such amount as may be prescribed during the two immediately preceding financial years or during the current financial year; or

(iv) has any other pecuniary transaction or relationship with the company, or its subsidiary, or its holding or associate company amounting to two per cent. Or more of its gross turnover or total income singly or in combination with the transactions referred to in sub-clause (i), (ii) or (iii);

(e) who, neither himself nor any of his relatives—

(i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;

Provided that in case of a relative who is an employee, the restriction under this clause shall not apply for his employment during preceding three financial years.

ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—

(A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

(B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such

firm;

(iii) holds together with his relatives two per cent. or more of the total voting power of the company; or

(iv) is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent. Or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the company; or

(f) who possesses such other qualifications as may be prescribed.

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### **3. Tenure**

- An Independent Director shall hold office for a term of up to five consecutive years and shall be eligible for re-appointment for another term of up to five consecutive years on passing of a special resolution by the shareholders.
  - No Independent Director shall hold office for more than two consecutive terms of five years each. A cooling-off period of three years shall apply before re-appointment.
  - Age limit: Maximum age of 75 years unless approved by special resolution of shareholders.
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### **4. Roles and Responsibilities**

- Uphold ethical standards of integrity and probity.
  - Act objectively and constructively while exercising duties.
  - Bring independent judgment to bear on matters pertaining to strategy, performance, risk management, resources, key appointments, and standards of conduct.
  - Actively participate in the work of the Board Committees to which they are appointed.
  - Safeguard the interests of all stakeholders, particularly minority shareholders.
  - Not abuse their position to the detriment of the Company or its shareholders.
  - Assist the Company in implementing the best corporate governance practices.
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## 5. Remuneration

- Independent Directors are entitled to sitting fees for attending Board and Committee meetings as determined by the Board within the limits prescribed under the Act.
- Independent Directors may be paid commission not exceeding 1% of net profits (as per Section 197 of the Act) if approved by shareholders.
- No stock options shall be granted to Independent Directors.

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## 6. Code of Conduct & Disclosure Obligations

- Every Independent Director shall adhere to the Code of Conduct for Board Members as adopted by the Company.
- Shall make necessary disclosures as required under the Act, SEBI LODR, and other applicable laws.
- Shall immediately inform the Board if they cease to meet the independence criteria.
- Shall file a declaration of independence at the time of appointment and at the first Board meeting of each financial year.

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## 7. Termination

The appointment of an Independent Director may be terminated:

1. By resignation by the Independent Director by giving notice in writing to the Company.
2. By passing of ordinary/special resolution of shareholders, as applicable.
3. Automatically, upon ceasing to meet the eligibility criteria under applicable law.
4. Upon completion of tenure as prescribed above.

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## 8. Review

These Terms and Conditions shall be reviewed periodically by the Nomination and Remuneration Committee and updated in compliance with the Act and SEBI LODR, as amended from time to time.