

# **CARBO-CERAMICS LIMITED**

## **Terms and conditions of appointment as Non-executive Independent Directors**

The terms and conditions of appointment of the Independent Directors of the Company in accordance with the requirements of the provisions of the Companies Act, 2013 and revised Clause 49 of the Listing Agreement:

### **Period of appointment**

The period of appointment of Independent Director for each term would not exceed five years. However, period of appointment of an Additional Director in the independent category is for the period from the date of appointment as such till the date of conclusion of the next Annual General Meeting of the company. The tenure is subject to fulfilment of the criteria for being an Independent Director and not being disqualified under the said Act read with applicable rules & regulations.

### **Role on the Board**

The Independent Director may be nominated on one or more committees of the Board and in such event they will be provided with the terms of reference and any specific responsibilities.

The Independent Directors are expected to commit sufficient time and attention as necessary in order to perform your duties under the Appointment. This will include attendance at Board meetings, any annual meeting of Independent Directors and General Meeting/s of the members of the Company as also meetings of any Board committee of which they are a member.

Independent Directors will strictly abide by the Code for Independent Directors as specified under the Act.

### **Duties and Responsibilities**

Independent Directors shall adhere to the following duties of directors, which are more specifically stipulated in Section 166 of the Act as under

- a) Subject to the provisions of this Act, a director of a company shall act in accordance with the articles of the company.
- b) A director of a company shall act in good faith in order to promote the objects of the company for the benefit of its members as a whole, and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment.
- c) A director of a company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
- d) A director of a company shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.

- e) A director of a company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.
- f) A director of a company shall not assign his office and any assignment so made shall be void.

Independent Directors shall have the same general legal responsibilities to the Company as any other Director, except that you shall be held liable only in respect of such acts of omission or commission by a company which had occurred with their knowledge, attributable through board processes and with their consent or connivance or where they had not acted diligently.

### **Code of Conduct, Insider Trading & other compliances**

During the Appointment Independent Director shall always comply with any relevant regulations as may be issued by the Government of India and such other authorized bodies as set up by the Government on its behalf, including the Code for Independent Directors as contained in Schedule IV of the Act, Insider Trading Code and such other requirements as the Board of Directors may from time to time specify including 'Code of Conduct for Directors and Senior Management Personnel' of the Company.

### **Remuneration**

Unless decided otherwise, Independent Directors will be paid sitting fee for attending Board and committee meeting as a member or such other meeting fees as may be determined from time to time. In addition profit related commission may be paid as and when decided by the Board on the recommendation of the Nomination and Remuneration Committee, within the limit prescribed for all non-whole time directors u/s 197 of the Act.

In addition to the above the Independent Director will be entitled to reimbursement of all expenses for participation in the meetings of the Company.

### **Performance Evaluation**

The performance evaluation of Independent Director shall be done by the Board in accordance with the applicable provisions. Independent Director may participate in reviewing the performance of the other directors and the Board as a whole