

**TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS OF
CHANDNI TEXTILES ENGINEERING INDUSTRIES LIMITED**

The broad terms and conditions of appointment as Independent Directors of the Company are reproduced hereunder:

1. Term of Appointment

The appointment of Independent Directors is for a period of 5 years from the date of their appointment. The Independent Directors are not liable to retire by rotation. Re-appointment at the end of the tenure shall be based on the recommendations of the Nomination & Remuneration Committee and subject to the approval of the Board and shareholders as well as based on the outcome of the performance evaluation process and the directors continuing to meet the independence criteria.

The Directors may be nominated to be a Member or Chairman of any one or more Committee of the Board.

2. Role, Functions and Duties

The role, functions and duties of Independent Directors shall be in accordance with the provisions of Schedule IV (Code of Conduct of Independent Directors) to the Act, which includes:

A. As a member of the Board, the Independent Directors along with the other Directors will be collectively responsible for meeting the objectives of the Board which include:

- Complying with the requirements under Companies Act, 2013
- Responsibilities of the Board as outlined under Clause 49 of the Listing Agreement
- Accountability under Directors' Responsibility Statement

B. They shall abide by the 'Code for Independent Directors' as outlined in the Schedule IV to Section 149(8) of the Companies Act, 2013 and duties of directors as provided in the Companies Act, 2013 (including Section 166) and clause 49 of the Listing Agreement.

C. They would provide guidance in the area of their area of expertise.

3. Remuneration

The Independent Director shall be paid sitting fees for attending the meetings of the Board and Audit Committee of which they are members. The sitting fees payable shall be determined by the Board from time to time.

4. Code of Conduct

As Independent Directors of the Company, they agree to abide by the code of Conduct for Board of Directors & Independent Directors.

Unless specifically authorised by the Company, they shall not disclose company & business information to any person during the term of their appointment. Their obligation of confidentiality shall continue even after cessation of their Directorship with the Company.

The provisions of SEBI (Prohibition of Insider Trading) Regulations, 1992 and company's code of conduct for Prevention of Insider Trading, as amended from time to time, prohibiting disclosure or use of unpublished price sensitive information shall be applicable to the Independent Directors.

5. Training and Development

The Company would provide necessary support to Independent Directors in updating their skills and knowledge with respect to the businesses of the Company and to improve their familiarity with the Company and its business. The Company may, if required, will conduct formal training program for its Independent Directors.

6. Performance Appraisal / Evaluation Process

As a member of the Board, the performance of the Independent Directors as well as the performance of the entire Board will be evaluated annually. Evaluation of each director shall be done by all other Directors. The Criteria for evaluation shall be disclosed in the Company's Annual Report. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board/Committee.

7. Disclosures

During the tenure of their directorship, the Independent Directors shall notify promptly the Company of any change in their directorships and shall provide all disclosures and information as may be required under the applicable laws. They shall also upon becoming aware of any potential conflict of interest with their position as Independent Directors of the Company, promptly disclose the same to the Chairman of the Board or the Company Secretary.

8. Termination

Independent Director may resign from his position at any time by serving a reasonable written notice on the Board stating out reasons for resignation. Further, the appointment may be terminated in accordance with the law.

Continuation of appointment of Independent Director is contingent on his/her willingness to continue as an Independent Director and getting re-appointed by the shareholders in accordance with applicable law.
