

CELEBRITY FASHIONS LIMITED

Terms and Conditions of appointment of Independent directors

Appointment

In accordance with the provisions of the Companies Act, 2013 and other applicable laws, Independent Directors will serve as an Independent Director of the Board for a term of 5 consecutive years starting from the period to and shall not be liable to retire by rotation. The appointment is subject to the approval of shareholders at the annual general meeting of the Company. The appointment is also subject to the maximum permissible Directorships that one can hold as per the provisions of the Companies Act, 2013 and the listing agreement.

The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013 and the Listing Agreement. The Company is at liberty to disengage Non Executive Independent Director earlier to the tenure subject to compliance of relevant provisions of Companies Act, 2013.

Committees

The Board may, if it deems fit, may invite any of Independent Directors for being appointed on one or more existing Board Committees or any such Committee that is set up in the future. The appointment on such Committee(s) will be subject to the applicable regulations.

Time Commitment

The Independent Director shall strive to devote such time as is prudent and necessary for the proper performance of the role, duties and responsibilities as an Independent Director

Role, duties and responsibilities

The role and duties of the Independent Directors will be those as prescribed under the Companies Act 2013 including Rules and regulations made there under and listing agreement, as modified, amended or substituted from time to time as may be applicable.

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

Remuneration

The Independent Director will be paid such remuneration by way of sitting fees for meetings of Board and its Committees as may be decided by the Board from time to time in accordance with the limits prescribed under the Companies Act, 2013 and rules made there under. Further, Independent Directors will not be granted any options under the ESOP schemes of the Company.

Reimbursement of Expenses

In addition to the remuneration described above, the Company shall reimburse actual cost incurred for travel, hotel and other incidental expenses incurred by directors for participation in the meeting of the Board and Committees thereof in their performance of their role and duties

Insurance

The Independent Directors are covered under Directors and Officers Liability Insurance Policy procured by the Company from time to time.

Code of Conduct & other compliances

During the appointment, Independent Directors shall 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, Insider Trading Code and such other requirements as the Board of Directors may from time to time specify.

At the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect the status as an independent director, Independent Director shall give a declaration to that effect confirming that he / she meet the criteria of independence as provided in Companies Act 2013.

Confidentiality

Independent Director shall comply highest standards of confidentiality and not disclose to any person or company (whether during the course of the appointment or at any time after its termination) any confidential information concerning the Company and any Group Companies with which come into contact by virtue of position as a Non-Executive Independent Director of the Company.

Performance Evaluation

The performance of all the Directors and the entire Board shall be evaluated annually. Evaluation of Independent Directors shall be done by the Board and criteria for evaluation shall be determined by Nomination Committee of the Board. The appointment / re-appointment / continuation of Independent Director on the Board shall be subject to the outcome of yearly evaluation process.

Disclosures, other directorships and business interests

The Independent Directors, during their tenure of appointment are expected to promptly notify the Company of any change in other directorships, and also provide such other disclosures and information as may be required under the applicable laws. Upon becoming aware of any potential conflict of interest with the position of Independent Directors of the Company, they shall disclose the same to the Chairman immediately.

Termination

An Independent Director may resign from his / her position at any time by serving reasonable written notice to the Board of Directors.

Continuation of his /her appointment is contingent on his/her getting re-elected by the shareholders in accordance with provisions of Companies Act, 2013 and the Articles of Association of the Company, from time to time in force. He / she will not be entitled to compensation if the shareholders do not re-elect at any time.

The appointment of Independent Director may also be terminated in accordance with the provisions of the laws applicable to the Company and Articles of Association of the Company from time to time in force.

Governing Law

The appointment of Independent Director is governed by and will be interpreted in accordance with Indian Law and is subject to the provisions of the Companies Act 2013, Listing Agreement, any regulations / circulars issued , amended , notified or replaced by statutory bodies including SEBI,MCA etc.