



**Terms and conditions of appointment of the Independent Directors**  
[Pursuant to the provisions of Schedule IV to the Companies Act 2013]

Following are the terms and conditions of appointment of Independent Directors on the Board of Creative Stylo Packs Private Limited (the Company).

**1 APPOINTMENT AND TERM**

- 1.1. Independent Director on the Board of Directors of CSPPL is appointed for a term as decided by the Board of Directors/Nomination and Remuneration Committee of the Company and further period of extension, if any, shall be in accordance with the Companies Act, 2013.
- 1.2. Re-appointment at the end of the Term shall be based on the recommendation of the Nomination and Remuneration Committee/ the Board and subject to the approval of the Members of the Company. The re-appointment would be considered based on the Independent Director continuing to meet the independence criteria, requirement of the Company and applicable statutory provisions.
- 1.3. The Board of the Company comprise of appropriate mix of executive, non-executives and Independent Directors. Appointment of Independent Directors shall be as per the applicable provisions of the Companies Act 2013 as maybe amended from time to time or in force at relevant time
- 1.4. In compliance with provisions of Section 149(13) of the Companies Act, 2013, Independent Director are not subject to retirement by rotation.
- 1.5. Independent Directors are appointed by the members of the Company by passing resolution, on recommendation of the Nomination and Remuneration Committee/ Board of Directors of the Company.
- 1.6. The appointment may be terminated in accordance with the provisions of the Articles of Association of the Company or on failure to meet the parameters of independence as defined in section 149(6) or on failure to perform duties as defined under Section 167 of the Companies Act, 2013.
- 1.7. The term Independent Director should be construed as defined under the Companies Act, 2013.
- 1.8. Independent Director will not be considered to be an employee of the Company.

**2 COMMITTEES**

The Board of Directors (the Board) may, if it deems fit, invite Independent Director for being appointed on one or more Committees of the Board of Directors. Appointment of Independent Director on such Committee(s) will be subject to the provisions of the Companies Act, 2013.

 + 91 22 24149442    sales@cpack.in    [www.creativestylopacks.com](http://www.creativestylopacks.com)

H.O. 205 R.C. Church Compound, Dr. Ambedkar Rd, Dadar, Mumbai - 400014, INDIA

Unit : Village P.O. Manpura, Baddi, District - Solan, Himachal Pradesh, INDIA  
CIN : U21023MH2011PTC219967

### 3 **ROLES AND DUTIES**

Roles and duties of Independent Directors has been carved out under the Companies Act 2013. The Act, which prescribed duties of the Directors and "Code of Independent Directors" as codified in schedule IV under section 149 of the Act. The Act expect director to honour fiduciary duties to the Company and would accompany liability to exercise due and reasonable care, skill and diligence and independent judgement.

Independent Director are expected to bring objectivity and independence of view to the Board's discussions and to help provide the Board with effective inputs in relation to the Company's strategy, performance and corporate governance.

### 4 **TIME COMMITMENT**

- 4.1. Independent Director are expected to bring objectivity and independence of view to the Board's discussions and to help provide the Board with effective leadership in relation to the Company's strategy, performance, and risk management as well as ensuring high standards of financial probity and corporate governance. The Board normally meets 4 times a year with at least one meeting every 120 (one hundred and twenty) days and will otherwise meet on an ad-hoc basis as required. Independent Director will be expected to devote such time to duties, as appropriate for them to discharge their duties effectively.
- 4.2. During the term of appointment, Independent Director may be requested to serve on one or more of the Board committees including Audit, Nomination and Remuneration Committees and any other Board level committee, if the Board thinks it necessary.
- 4.3. Independent Director are required to attend the regular Board Meeting of the Company and other committee meeting of the Board, if any, where they have been appointed also the general shareholders meeting and review meetings, to attend training and/or familiarization sessions, including briefings from management, if necessary.

In addition, Independent Director along with other independent directors of the Company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of the management and all the independent directors shall strive to be present at such meeting.

- 4.4. Independent Director confirm that they are able to allocate sufficient time to meet the expectations to the satisfaction of the Board.

## **5 REMUNERATION**

Independent Director shall be entitled to such annual remuneration as may be determined by the Board / Nomination and Remuneration Committee of the Company in accordance with the Companies Act 2013 and applicable law from time to time.

## **6 ELIGIBILITY TO CONTINUE AS INDEPENDENT DIRECTOR**

Independent Director has been appointed in accordance to Section 149(6) of the Companies Act, 2013, read with Schedule IV ("Eligibility Criteria").

If Independent Director change in circumstances leads appointment do not to meet any such Eligibility Criteria and the event becomes aware apparent conflicts of interest, these should be discussed with the chairperson or informed to the Board.

Independent Director shall require to make a declaration to the Board at the first meeting of the Board in every financial year stating that they meet the Eligibility Criteria and also to declare that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge duties with an objective independent judgment and without any external influence.

Independent Director shall not be entitled to appoint any person as their alternate director for the Company, except the Board approves in the Board meeting.

Independent Director shall ensure that their name is included in the data bank maintained by Indian Institute of Corporate Affairs (HCA) and to clear online proficiency self-assessment test conducted by HCA, as may be applicable pursuant to the Companies (Appointment and Qualification of Directors) Rules 2014.

## **7 CODE OF CONDUCT**

During tenure as the Independent Directors they are required to comply "Code of Independent Directors" as codified in schedule IV under section 149 of the Act.

## **8 PERFORMANCE REVIEW PROCESS**

The performance of Directors and Independent Directors and the whole Board would be evaluated annually and in such manner as may be decided by the Board or Nomination and Remuneration Committee or as per statutory requirement. In addition to mandate of performance review, the Board may wish independent directors or committee of directors to review and assess performance of the management and other functions.

## **9 CONFIDENTIALITY**

- 9.1. All information acquired during appointment is confidential to CSPPL and should not be released, either during appointment or following termination (by whatever means) to third parties without prior clearance from the Company unless required by law or any other regulatory body. On reasonable request, Independent Director shall surrender any documents and other materials made available to them by Company.
- 9.2. Any confidential information which may come to their knowledge in the performance of their duties as a director of the company must not be divulged, except so far as:
- 9.2.1. May be necessary in connection with the proper performance of duties as an Independent Director to the Company;
- 9.2.2. The Company may from time to time authorize Independent Director to disclose such information as may be required with the condition that they will take all reasonable precautions as may be necessary to maintain the secrecy and confidentiality of all confidential information of the Company; or
- 9.2.3. Independent Director may be required to disclose under any law / or requirements by any regulatory body provided the Company to be intimated in advance.

## **10 DISCLOSURES, OTHER DIRECTORSHIPS AND BUSINESS INTERESTS**

- 10.1. During the term of Independent Director appointment, they agree to promptly notify the Company of any change in their directorships, and provide such other disclosures and other information as may be prescribed under the Companies Act, 2013 and the rules made thereunder.
- 10.2. Further, any material interest that Independent Director may have in any transaction or arrangement that the Company has entered into should be disclosed not later than, when the transaction or arrangement comes up at the Board meeting, so that the Company may record their interest appropriately. Further, Independent Director are required to give a general notice of Interests as per the format prescribed under the Companies Act, 2013 and the rules made thereunder in the first Board Meeting of each Financial Year.
- 10.3. During their term as an independent director they are required to give a declaration that they meet the criteria of independence prescribed under Section 149(6) of the Companies Act, every financial year as provided under section 149(7) of the Companies Act, 2013.

## **11 PUBLICATION OF THE LETTER OF APPOINTMENT**

In line with the provision of Clause IV sub clause 6 of Schedule IV, under the Companies Act, 2013, the Company will make public the terms and conditions of appointment and will arrange for it to be displayed on the Company's website.

## **12 TERMINATION**

Independent Director may resign from the directorship of the Company by giving a notice in writing to the Company stating the reasons for resignation.

If at any stage during the term, there is a change that may affect their status as an Independent Director as envisaged in Section 149(6) of the Companies Act, 2013, they agree to promptly submit their resignation to the Company with effect from the date of such change.

Independent Director appointment may also be terminated in accordance with provisions of the Articles of Association of the Company from time to time in force or in the event they are disqualified for being a Director under the provisions of the Companies Act, 2013.

On termination of the appointment they shall only be entitled to such fees and remuneration as may have accrued up to the date of termination, together with reimbursement in the normal way of any expenses properly incurred prior to that date.

Independent Director are not entitled for any compensation for loss of office as an Independent Director, or as consideration for retirement /resignation/termination from such office or in connection thereto.