

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS STANDARD OPERATING PROCEDURE (SOP) CALIFORNIA SOFTWARE COMPANY LIMITED

1. PREAMBLE

This document sets out the Terms and Conditions governing the appointment of Independent Directors on the Board of Directors of California Software Company Limited in accordance with applicable provisions of the Companies Act, 2013, SEBI (LODR) Regulations, and corporate governance best practices.

2. OBJECTIVES

The objective of this SOP is to strengthen corporate governance, ensure transparency, protect stakeholder interests, and establish clear guidelines for the appointment and functioning of Independent Directors.

3. APPLICABILITY

This SOP applies to existing and proposed Independent Directors, the Board of Directors, Nomination & Remuneration Committee, Company Secretary, and Compliance Team.

4. ELIGIBILITY CRITERIA

- Must satisfy independence criteria under applicable laws.
 - Must possess integrity, expertise, and relevant experience.
 - Must not be disqualified under the Companies Act, 2013.
 - Must not have material pecuniary relationship with the Company.
 - Must comply with SEBI and statutory requirements.
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5. APPOINTMENT PROCESS

- Identification of suitable candidates by NRC.
 - Due diligence and background verification.
 - NRC recommendation to the Board.
 - Board approval.
 - Shareholder approval where applicable.
 - Regulatory filings and disclosures.
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6. TENURE

Independent Directors shall hold office for a term up to five consecutive years and may be re-appointed subject to applicable laws and shareholder approval.

7. ROLES AND RESPONSIBILITIES

- Governance oversight.
 - Strategic guidance.
 - Risk management oversight.
 - Compliance monitoring.
 - Participation in Board Committees.
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8. DUTIES OF INDEPENDENT DIRECTORS

- Uphold ethical standards.
 - Exercise objective independent judgment.
 - Avoid conflicts of interest.
 - Maintain confidentiality.
 - Protect stakeholder interests.
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9. REMUNERATION

Independent Directors may receive sitting fees, reimbursement of expenses, and commission as approved by shareholders in accordance with applicable laws.

10. BOARD MEETINGS

Independent Directors are expected to attend Board and Committee meetings regularly and actively participate in strategic discussions and governance oversight.

11. PERFORMANCE EVALUATION

Annual evaluation shall be conducted by the Board and NRC based on participation, governance contribution, strategic insight, and compliance oversight.

12. TRAINING & FAMILIARIZATION

The Company shall conduct periodic familiarization programs regarding the Company's business model, operations, industry, risk management, and regulatory environment.

13. CONFIDENTIALITY

Independent Directors shall maintain strict confidentiality regarding all confidential information, business strategies, financial information, and unpublished price-sensitive information.

14. RESIGNATION / REMOVAL

Independent Directors may resign by written notice. Removal shall be in accordance with the provisions of the Companies Act, 2013 and applicable regulations.

15. RECORD MAINTENANCE

The Company Secretary shall maintain all records relating to appointment letters, declarations, evaluations, disclosures, and statutory filings.

16. REVIEW AND AMENDMENT

This SOP may be reviewed and amended periodically by the Board of Directors or the Nomination & Remuneration Committee.

17. EFFECTIVE DATE

This SOP shall become effective upon approval by the Board of Directors of California Software Company Limited.

APPROVAL

Approved by the Board of Directors of California Software Company Limited.

Date: APRIL 10, 2026

Place: Chennai, Tamil Nadu, India

Chairman / Managing Director
Authorized Signatory