

## AMINES & PLASTICIZERS LIMITED

### Draft Terms and conditions of Appointment of Independent Directors

The terms and conditions of appointment of Independent Directors are subject to the extant provisions of the (i) applicable laws, including the Companies Act, 2013 ('the Act') and Listing Agreement (as amended from time to time) and (ii) Articles of Association of the Company.

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

#### 1. Appointment

The appointment will be for a period of Five (5) consecutive years and shall take effect from the date of approval of the Shareholders. The Company may disengage Independent Directors prior to completion of the term subject to compliance of relevant provisions of the Act. As Independent Directors, they will not be liable to retire by rotation. Reappointment at the end of the Term shall be based on the recommendation of the Nomination and Remuneration Committee (NRC) and subject to the approval of the Board and the shareholders. The reappointment would be considered by the Board based on the outcome of the performance evaluation process and the directors continuing to meet the independence criteria. The directors may be requested to be a Member / Chairman of any one or more Committees of the Board which may be constituted from time to time.

#### 2. Role, duties and responsibilities

I. As members of the Board, they will be collectively responsible for meeting the objectives of the Company which include:

- Requirements under the Companies Act, 2013
- Requirements / responsibilities under the Listing Compliances / Agreement
- Accountability under the Director's Responsibility Statement.

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

III. They are particularly requested to provide guidance in their area of expertise.

### 3. Time Commitment

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

### 4. Remuneration

As Independent Directors, they shall be paid sitting fees for attending the meetings of the Board and the Committees of which they are members. The sitting fees for attending each meeting of the Board and its Committees would be as determined by the Board from time to time. In addition to the sitting fees, commission, if any that may be determined by the Board may also be payable to them. In determining the amount of this commission, the Board supported by the Nomination and Remuneration Committee may consider performance of the Company and their performance as evaluated by the Board Further, the Company may pay or reimburse to the Director such expenditure, as may have been incurred by them while performing their role as an Independent Director of the Company. This could include reimbursement of expenditure incurred by them for accommodation, travel and any out of pocket expenses for attending Board/ Committee meetings, General Meetings, court convened meetings, meetings with shareholders/creditors/management, site visits, induction and training (organized by the Company for Directors) and in obtaining, subject to the expense being reasonable, professional advice from independent advisors in the furtherance of their duties as Independent Directors.

### 5. Code of Conduct

Independent Directors are expected to perform their duties, whether statutory, fiduciary or common law, faithfully, efficiently and diligently to a standard commensurate with both the functions of their role and their knowledge, skills and experience. As Independent Directors of the Company, they agree to comply with the Code of Conduct of the Company.

### 6. Confidentiality

Under the Act, the Directors have a right of access to Company's documents and records, including financial records. Unless specifically authorised by the Company, they shall not disclose company and business information to various participants such as media, financial community, employees, shareholders, agents, franchisees, dealers, distributors and importers except, if necessary in performance of their duty or may be required by law to disclose. Their obligation of confidentiality shall survive cessation of their respective directorships with the Company.

## **7. Code For Independent Directors, Code Of Conduct For Directors And Code Of Conduct For Prevention Of Insider Trading For Employees, Including Directors**

Independent Directors are required to abide by the Code for Independent Directors, Code of Conduct for Directors and Code of Conduct for Prevention of Insider Trading for Employees, including Directors, as issued by the Company.

## **8. Training and Development**

The Company may, if required, conduct formal training program for its Independent Directors. The Company may, as may be required support Directors to continually update their skills and knowledge and improve their familiarity with the company and its business. The Company will fund/arrange for training on all matters which are common to the whole Board.

## **9. Cooperation:**

In the event of any claim or litigation against the Company, based upon any alleged conduct, act or omission on Independent Director's part during their Term, they agree to render all reasonable assistance and cooperation to the Company and provide such information and documents as are necessary and reasonably requested by the Company or its counsel.

## **10. Liability**

Independent Directors will be liable only in respect of such acts of omission or commission by the Company which had occurred with their knowledge, attributable through Board processes and with their consent or connivance or where they had not acted diligently.

## **11. Evaluation Process**

As members of the Board, their performance as well as the performance of the entire Board and its Committees will be evaluated annually. Evaluation of each director shall be done by all the 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.

## **12. Disclosures, other directorships and business interests**

During the Term, Independent Directors agree to promptly notify the Company of any change in their directorships and provide such other disclosures and information as may be required under the applicable laws. They also agree that upon becoming aware of any potential conflict of interest with their position as Independent Directors of the Company,

they shall promptly disclose the same to the Chairman and the Company Secretary. During their Term, they agree to promptly provide a declaration under Section 149(7) of the Act, upon any change in circumstances which may affect their status as an Independent Director.

### 13. Changes of personal details

During the Term, they shall promptly intimate the Company Secretary and the Registrar of Companies in the prescribed manner of any change in address or other contact and personal details provided to the Company.

### 14. Disengagement

They may resign from the directorship of the Company by giving a notice in writing to the Company stating the reasons for resignation. The resignation shall take effect from the date on which the notice is acknowledged by the Company or the date, if any, specified by them in the notice, whichever is later. However, their directorship on the Board of the Company shall cease in accordance with law. The Company may disengage Independent Directors prior to completion of Term (subject to compliance of relevant provisions of the Act) upon violation of any provision of the Code of Conduct as applicable and/or upon the director failing to meet the criteria for independence as envisaged in Section 149(6) of the Act.

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