



## **TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS**

In accordance with the provisions of Section 149, Schedule IV of the Companies Act, 2013, Securities Exchange Board Of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") and other applicable provisions as amended from time to time, the terms and conditions of appointment of Independent Directors of Kesar Petroproducts Limited("Company") are reproduced hereunder:

### **I. APPOINTMENT:**

- a. The appointment of the Independent Director as an Independent Director ("ID") on the Board will be effective from <date of appointment>, for a period of <terms of appointment>.
- b. At any time that ID resigns by written notice. It is desirable that he/she gives the Chairman reasonable forewarning of his/her intention to resign or to not seek re- appointment where that is possible so that the Company can plan for succession of skills and experience on the Board; and may be required to vacate office for any reason pursuant to any of provision of the Companies Act, 2013 or
- c. ID may be removed as a Director or otherwise required to vacate office under any applicable law and under the Article of Association of the Company.
- d. Performance as an Independent Director will be reviewed during his/her tenure with the Company in accordance with processes agreed by the Board from time to time. He/she agree to participate in such reviews.
- e. Independent Directors will not be liable to retire by rotation.
- f. Re-appointment at the end of the Term shall be based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Board and the Members. The re-appointment would be considered based on the outcome of the performance evaluation process and the Independent Director continuing to meet the independence criteria.

### **II. ROLE, DUTIES AND RESPONSIBILITIES**

ID being a Member of the Board, they along with the other Directors, will be collectively responsible for meeting the objectives of the Board which *inter alia*, include:

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- Requirements under the Companies Act, 2013, as amended or re-stated for the time being in force,
  - Responsibilities of the Board as outlined in the Corporate Governance requirements as prescribed by the SEBI Listing Regulations as amended from time to time,
  - Accountability under the Director's Responsibility Statement.

They 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 Companies Act, 2013 Act and in Regulation 27 of the Listing Agreement.

### **III. COMMITMENT**

IDs are expected to devote such time as is necessary for the proper performance of his/her duties as an independent director. He/She will be involved in a number of board and committee meetings each year. He/she should strive to attend all the scheduled quarterly board meetings, General meeting, Committee board meetings and other meetings or attendance as necessary.

As an ID he/she should strive to hold and present in at least one meeting in a year without the presence of non-independent director and members of management, *inter alia*, to:-

- a) Review the performance of non-independent director and the Board as a whole;
- b) Review the performance of the Chairman of the Company, taking into account the views of executive director and non-executive director;
- c) Assess the quality, quantity and timelessness of flow of information between the company management and the Board that is necessary for the Board to affectively and reasonably perform their duties.

By accepting this appointment, you have confirmed that you are able to allocate sufficient time to meet the expectations of your role.

### **IV. CONFLICT OF INTEREST**

By accepting this appointment ID will be deemed to have confirmed that any other position he/she hold including his/her directorship in other organizations, shall not give rise to any conflicts of interest in relation to his/her appointment as an Independent Director of the Company. If he/she become aware of any conflicts or potential conflict during his/her appointment, he/she is expected to notify the Company Secretary.

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## **V. REMUNERATION AND REIMBURSEMENT OF EXPENSES**

IDs will be paid such sitting fees for attending meeting of the Board as may be decided by the Board time to time, as per the provision of Section 197 of the Companies Act, 2013 and the Articles of Association of the Company.

The Company shall reimburse ID all travelling, hotel and other incidental expenses properly and reasonably incurred by you in performance of duties as per provisions of the Companies Act, 2013 in conjunction with the Company rule and policies.

As an Independent Director he/she shall not be entitled to any stock option and shall not be covered by any pension scheme.

## **VI. INSURANCE**

The Company has Directors' and Officers' liability insurance and it is intended that the Company will assume and maintain such cover for the full term of appointment of ID.

## **VII. DISCLOSURES**

ID shall be required to submit certain information in the prescribed form on a defined periodicity, Company secretary shall be the co-ordinating officer for this.

IDs are required to disclose to the company their interest and any matters (excluding those matters which may be subject to legal professional privilege) which affect their independence.

During their tenure as an Independent Director they are required to give a declaration that they meet the criteria of independent every financial year as provided under Section 149 of the Companies Act, 2013.

## **VIII. CODE FOR INDEPENDENT DIRECTOR, CODE OF CONDUCT FOR DIRECTOR AND CODE OF FAIR DISCLOSURE**

IDs are required to abide by the Code of Conduct for Independent Director, Code of Conduct for Directors and Code of Fair Disclosure for prevention of insider trading for employees, including directors, as issued by the Company.

Brief details about the familiarisation programme to familiarise the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company.

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## **IX. INDUCTION & TRAINING**

Where possible, directors will be encouraged to attend special training courses by various professional bodies to ensure that the directors are refreshed and equipped to perform their role in the highest standard and performance possible. IDs should feel free to request any further information which they require, at any time.

## **X. CONFIDENTIALITY AND ACCESS TO THE RECORDS OF THE COMPANY**

Under company law, directors have a right of access to company's documents and records, including financial records.

Any confidential information which may come to their knowledge in the performance of their duties as a director of the Company must be divulged, except so far as:

- a. May be necessary in connection with the proper performance of your duties to the company;
- b. The company may from time to time authorise them to disclose such information as may be required by them with the condition that you will take all reasonable precautions as may be necessary to maintain the secrecy and confidentiality of all confidential information of the company; or
- c. They may be required by law to disclose.

## **XI. LIABILITY**

As an Independent Director they will be liable only in respect of such acts of omission or commission by a company which had occurred with their knowledge, attributable through Board processes, and with your consent or connivance or where they had not acted diligently.

## **XII. EVALUATION**

The Board of Directors will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors on an annual basis.

## **XIII. TERMINATION**

Their Directorship on the Board of the Company shall terminate or cease in accordance with law.

They may resign from the Directorship of the Company by giving a notice in writing to the Company stating the reasons for resignation. In terms of the provisions of the Companies Act, 2013.

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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.