

Date:

[Name & Address]

Dear .....,

**Sub : Appointment as an Independent Director**

We are pleased to inform you that the members of Chemplast Sanmar Limited (the Company) at the extraordinary general meeting held on \_\_\_\_\_ have approved your appointment as Independent Director of the Company with effect from \_\_\_\_\_.

A Certified True Copy of the Resolution passed by the shareholders is attached for your information and records.

The terms and conditions of your appointment are set forth as under:

**1. Tenure of Office**

- 1.1 You have been appointed as an Independent Director of the Company as contemplated under Section 149 of the Companies Act, 2013 including any amendments made thereto and SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.
- 1.2 Your term as an Independent Director is for a period of further 5 years from \_\_\_\_\_ upto \_\_\_\_\_.
- 1.3 The appointment is not subject to retirement by rotation in pursuance of provisions of sub-section (13) of Section 149 of the Companies Act, 2013.
- 1.4 Pursuant to the provisions of Section 149 (11) of the Companies Act, 2013, you shall not hold the office for more than two consecutive terms. However, you shall be eligible for appointment after the expiration of three years of your ceasing to become an Independent Director.

1.5 The appointment will be terminated automatically:

- if you are disqualified from acting as an independent director or if you vacate the office as a director for any reason either under the Companies Act, 2013 or under Listing Regulations or any other relevant laws; or
- if you resign from the office by giving notice in writing as per Section 168 of the Companies Act , 2013 or
- if an Ordinary Resolution is passed by the Company for your removal from the Office of Director as provided in Section 169 of the Companies Act, 2013 or

## **2 Compliance with Section 149 (6) & Code of Conduct:**

- 2.1. During the tenure of the office, an Independent Director is required to to comply with the provisions of Section 149(6) of the Companies Act, 2013, as amended and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the provisions of the Section 149(6) of the Act and the Regulation 16 of SEBI Listing Regulations are annexed for your reference (Annexure 1).
- 2.2. During the tenure of the office, an Independent Director shall comply with the Code of Conduct of the Company for Directors.
- 2.3 Independent Director shall comply with the guidelines of professional conduct as stipulated in Schedule IV to the Companies Act, 2013. Copy of Schedule IV is annexed for ready reference. (Annexure 2).

## **3. Role and Functions:**

- 3.1 Your role and functions of an Independent Director of the Company shall be as prescribed in Schedule IV of the Companies Act, 2013.
- 3.2 You shall serve as Chairman or member of such Board level Committee or Committees to which you are appointed from time to time and the functions, tasks, duties and powers of such committees shall be such as may be decided by the Board of Directors from time to time.

**4. Duties:**

- 4.1 You shall perform your fiduciary duties as an independent director with integrity.
- 4.2 You are expected to perform the general fiduciary duties, and exercise the skill and care expected of every director.
- 4.3 You shall perform your duties as a director in compliance with the provisions of Section 166 of the Companies Act, 2013.
- 4.4 You shall also perform your duties as an Independent Director as prescribed in Clause III under Schedule IV of the Companies Act, 2013.

**5. Remuneration**

You will be entitled to sitting fees as decided by the Board of Directors of the Company for attending meeting of the Board of Directors or Committee/s thereof or for any other purpose whatsoever as may be decided by the Board of Directors from time to time. You shall be entitled to commission, if any, as may be decided by the Board of Directors and approved by the members of the Company under Section 197 of the Act.

**6. Reimbursement of Expenses**

You will be reimbursed all expenses incurred in travelling for attending the Board and other meetings and reasonable and proper accommodation expenses, if any, for meetings that necessitate you to stay away from home.

**7. Independence and other interests**

You shall, at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect your status as an independent director, give a declaration that you meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013, as amended and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

**8. Evaluation of Performance :**

Your performance as an independent director shall be subjected to performance evaluation by the other members of the Board of Directors from time to time.

**9. General**

You shall comply with the provisions of Schedule IV to the Act as may be in force from time to time.

You are requested to sign and return us the duplicate copy of this letter as a token of your acceptance of the terms and conditions.

Thanking you,

Yours faithfully,

**For Chemplast Sanmar Limited**

---

I agree to the terms and conditions set out above.

---