



TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS



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CIN: U23200WB2010PLC147053

SUNDREX OIL COMPANY LIMITED

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

Introduction:

The terms and conditions of appointment of the Independent Directors are subject to the extent provisions of the:

- i) Applicable laws, including the Companies Act, 2013 (Act) and Regulations 17 to 27 of the SEBI (Listing Obligation Disclosure Requirements) Regulations 2015 (SEBI Listing Regulations);
- ii) Schedule IV of the Companies Act, 2013 (Code for Independent Directors) and
- iii) Articles of Association of the Company.

1. APPOINTMENT:

- i) Your appointment as a Non-Executive Independent Director on the Board of Directors of the Company is subject to the provisions of the Act and other applicable laws.
- ii) In compliance with provisions of section 149(13) of the Act, your directorship is not subject to retirement by rotation.
- iii) Notwithstanding other provisions of this letter, 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 the occurrence of any event as defined in section 167 of the Act.
- iv) Upon termination or upon your resignation for any reason, duly intimated to the Company, you will not be entitled to any compensation for loss of office.
- v) Re-appointment at the end of their tenure shall be considered by the Board of Directors ("**Board**") based on the recommendation of the Nomination and Remuneration Committee and the performance evaluation process, and you continuing to meet the independence criteria.
- vi) The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Act and SEBI Listing Regulations. Accordingly, the Independent Directors will serve for not more than two (2) consecutive terms of maximum five (5) years each on the Board of the Company. The Company is at liberty to disengage Non-Executive Independent Director earlier subject to compliance of relevant provisions of the Act.

2. TIME COMMITMENT:

- i) As a Non-Executive Independent Director, you 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

SUNDREX OIL COMPANY LIMITED

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

governance.

- ii) The Board generally meets four (4) times in a year. The Audit Committee generally meets at least four (4) times in a year. Besides, there are other Committee meetings like Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholder Relationship Committee, etc. meetings of which are ordinarily convened as per requirements. You will be expected to attend Board and Board Committees to which you may be appointed and Shareholders' meetings and to devote such time to your duties, as appropriate for you to discharge your duties effectively. Ordinarily, all meetings are held in Kolkata.
- iii) By accepting this appointment, you confirm that you will be able to allocate sufficient time to meet the expectations from your role to the satisfaction of the Board.

3. ROLE AND DUTIES:

A) Your role and duties will be those normally required of a Non-Executive Independent Director under the Act. There are certain duties prescribed for all Directors, both Executive and Non - Executive, which are fiduciary in nature and are as under:

- I. You shall act in accordance with the Company's Articles of Association as may be amended from time to time.
- II. You shall act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interest of the Company.
- III. You shall discharge your duties with due and reasonable care, skill and diligence.
- IV. You shall not involve yourself in a situation in which you may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- V. You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.
- VI. You shall not assign your office as Director and any assignments so made shall be void.

In addition to the above requirements the Board of Directors also expect you to perform the following functions:

- I. You should constructively challenge and help develop proposals on strategy for growth of the Company.

SUNDREX OIL COMPANY LIMITED

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

- II. You should evaluate the performance of management in meeting agreed goals and objectives.
- III. You should satisfy yourself on the integrity of financial information and that financial controls and systems of risk management are effective and defensible.
- IV. You are responsible for determining appropriate levels of remuneration of Executive Directors and have a prime role in appointing, and where necessary, removing Executive Directors and in succession planning.
- V. You will take responsibility for the processes for accurately reporting on performance and the financial position of the Company.
- VI. You should keep governance and compliance with the applicable legislation and regulations under review and the conformity of Company's practices to accepted norms.

4. STATUS OF APPOINTMENT:

- i) You will not be an employee of the Company and this letter shall not constitute a contract of employment. You will be paid such remuneration by way of sitting fees for meetings of the Board and its Committees as may be decided by the Board, from time to time.
- ii) You will have no entitlement to any bonus during the appointment or to participate in any employee stock option scheme operated by the Company.

5. REIMBURSEMENT OF EXPENSES

In addition to the remuneration described above, the Company will, for the period of your appointment, reimburse you for such expenditure, as may be incurred by you while performing the role of a Non-Executive Independent Director of the Company, including expenditure incurred for travel, accommodation or any other out of pocket expenses for attending Board/Committee Meetings, General Meetings, Court Convened Meetings, meetings with shareholders / Creditors / Management, site visits, induction and training programs.

6. INDEPENDENT PROFESSIONAL ADVICE

There may be occasions when you consider that you need professional advice in furtherance of your duties as a Non-Executive Independent Director and it will be appropriate for you to consult independent advisers at the Company's expense. The Company will reimburse full cost of expenditure incurred in accordance with the Company's policy.

SUNDREX OIL COMPANY LIMITED

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

7. INSURANCE

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

8. CONFLICT OF INTEREST

- It is accepted and acknowledged that you may have business interests other than those of the Company. As a condition to your appointment, you are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of your appointment.
- In the event that your circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead the Board to revise its judgement that you are independent, this should be disclosed to both the Chairman and the Company Secretary.

9. 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 as per Company's Policy. Evaluation of each Director shall be done by all the other directors. Your appointment and reappointment on the Board shall be subject to the outcome of the yearly evaluation process.

10. DISCLOSURE OF INTEREST

Any material interest that a Director may have in any transaction or arrangement that the Company has entered into should be disclosed no later than when the transaction or arrangement comes up at a Board meeting so that the minutes may record your interest appropriately and our records are updated. A general notice that you are interested in any contract with a particular person, firm or company is acceptable.

11. CODE OF CONDUCT

- During the appointment you are required to comply with regulations as contained in Schedule IV under the Act, including the Code of Conduct adopted by the Company.
- In line with the Company's Insider Trading Code, you are prohibited from dealing in the Company's shares during the period when the trading window is closed. You are required to comply with the applicable insider trading laws and regulations.

12. SEPARATE MEETINGS

You along with the fellow Independent Directors shall hold at least one (1) meeting in a year, without the attendance of non-Independent Directors and members of the management. You shall strive to be present at such a meeting which shall:-

SUNDREX OIL COMPANY LIMITED

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

- a. review the performance of the non-independent directors and the Board as a whole;
- b. review the performance of the Chairperson, taking into account the view of executive directors and non-executive directors; and
- c. assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

13. CONFIDENTIALITY

All information acquired during your appointment is confidential to the Company and should not be released, either during your appointment or following termination (by whatever means) to third parties without prior clearance from the Chairman unless required by law or by the rules of any stock exchange or regulatory body. On reasonable request, you shall surrender any documents and other materials made available to you by the Company.

Your attention is also drawn to the requirements under the applicable regulations and the Company's Insider Trading Code which concern the disclosure of price sensitive information and dealing in the securities of the Company. Consequently you should avoid making any statements or performing any transactions that might risk a breach of these requirements without prior clearance from the Chairman or the Company Secretary.

14. PUBLICATION OF THE LETTER OF APPOINTMENT

In line with provisions of Schedule IV, under the Act, the Company will make public, the terms and conditions of your appointment and will also arrange for it to be displayed on the Company's website.

15. MEMBERSHIP OF COMMITTEES

The Board of Directors may appoint you as Member / Chairman of one or more of its Committees which will be covered in a separate communication setting out the relevant committee's terms of reference and any specific responsibilities.

16. TERMINATION

- i) You may resign from your position at any time and should you wish to do so, you are requested to serve a reasonable written notice on the Board. In terms of provisions of the Act, you are required to file a copy of your resignation letter with the Registrar of Companies, Kolkata.
- ii) Continuation of your appointment is contingent on your getting re-elected by the shareholders in accordance with provisions of the Act and the Articles of Association of

SUNDREX OIL COMPANY LIMITED
TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

the Company, from time to time in force. -.

- iii) Your appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company from time to time in force.

17. GENERAL

- This Letter and any non-contractual obligations arising out of or in connection with this Letter are governed by, and shall be construed in accordance with, the laws of India, and the parties agree to submit to the exclusive jurisdiction of the courts of Kolkata.
- Please confirm your agreement to the above by signing and returning the enclosed duplicate of this Letter.
