

Letter of Appointment for Independent Directors

The terms and conditions of appointment of the Independent Directors are subject to the extant provisions of the (i) applicable laws, including the Companies Act, 2013 (“the Act”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) and (ii) Articles of Association of the Company. The broad terms and conditions of appointment of Independent Directors are reproduced hereunder:

1. Term of appointment:

- 1.1 The appointment as Non-Executive Independent Director on the Board of Directors of the Company from their effective date for a period of consecutive five years subject to approval of Shareholders of the Company as per the provisions of the Act. The appointment is also subject to the maximum permissible Directorships that one can hold as per the provisions of the Act and the Listing Regulations.
- 1.2 As Independent Directors, they will not be liable to retire by rotation.
- 1.3 An Independent Directors shall serve for not more than two terms of five years each on the Board of the Company, depending on the applicability of the provisions of the Act. The Company is at liberty to disengage Non-Executive Independent Director earlier, subject to compliance of applicable provisions of the Act.

2. The expectations of the Board, the Board-level committee(s) in which director is expected to serve and its tasks:

2.1 Expectations of the Board:

As a Non-Executive Director it is expected from them 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 governance.

As an Independent Director, it is expected from them to follow the roles and duties assigned under the appointment letter as well as those which are prescribed under the Act, Listing Agreement and other applicable regulations.

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2.2 Committees:

The Board has, at present, constituted Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Executive Committee, Corporate Social Responsibility Committee and Risk Management Committee.

The Board of Directors ("the Board") may, if it deems fit, invite any of them for being appointed on one or more existing Board Committees or any such Committee that may be set up in the future. The appointment on such Committee(s) will be subject to the applicable laws & regulations. Terms of appointment and tasks assigned to you will be as per decision in the Board Meeting in which the resolution to the said effect is passed.

It will be expected to attend meetings of the Board, Board Committees in which they are a member and meetings of Shareholders.

3. Role and duties:

Apart from roles and responsibilities prescribed for a Non-Executive Independent Director under the Act, the Listing Regulations and other applicable regulations, there are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature. These are as follows:-

- I. shall act in accordance with the Company's Articles of Association.
- II. 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. shall discharge the duties with due and reasonable care, skill and diligence.
- IV. shall not involve himself in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company. Please refer to the point related to 'conflict of interest' hereunder.
- V. shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners or associates.
- VI. shall not assign office as a Director and any assignments so made shall be void.

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VII. shall also adhere to the “Code for Independent Directors” as outlined in Schedule IV to the Act.

VIII. It is expected to:

- provide guidance in his area of expertise;
- take decisions objectively and solely in the interests of the Company;
- facilitate Company’s adherence to high standards of ethics and corporate behavior;
- guide the Board in monitoring the effectiveness of the Company’s governance practices and to recommend changes required, if any;
- guide the Board in monitoring and managing potential conflicts of interest of Management, Board Members and Stakeholders, including misuse of corporate assets and abuse in related party transactions;
- guide the Board in ensuring the integrity of the Company’s accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards;

4. Code of business ethics that the Company expects its Directors and employees to follow:

All directors and employees are expected to follow the Code of Business Ethics which the Company may adopt.

5. Actions that a Director should not do while functioning as such in the Company:

While functioning as a director in the Company, any director should not do anything which is opposed to the interests of the Company or which is not in conformity with the provisions of the governing law and Memorandum and Articles of Association of the Company and various codes, policies etc. as may be adopted by the Company from time to time.

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6. Remuneration:

Pursuant to section 149(9) and other applicable provisions of the Act as an Independent Director, you will be entitled to receive remuneration by way of fee provided under Section 197(5) of the Act and reimbursement of expenses for participation in the Board and other meetings and profit related commission, if any, and as may be approved by members. You will not be entitled to any stock option.

7. Conflict of interest:

It is accepted that he/she may have business interests other than those of the Company. He is required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of your appointment as well as at the time of change in the information submitted earlier.

Circumstances or events that might affect his independence to act as an Independent Director as well as any conflict of interest which may arise during his tenure as a director should be disclosed to the Board or Chairman of the Board and the Company Secretary.

8. Confidentiality:

All information acquired during his tenure is confidential to CCL and should not be released, either during tenure or after resigning/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.

Attention is also drawn to the Company's Code of Conduct for Prevention of Insider Trading. It is expected from them to adhere to the code.

9. Disclosure of interest:

A note of any material interest that a Director may have in any transaction or arrangement that the Company has entered into is required to be included in the annual accounts or annual report of the Company. Such interest should be disclosed not later than when the transaction or arrangement comes up at a Board Meeting so that minutes may record their interest appropriately and records are updated. A general notice that you are interested in any contract/proposed contract or any motion/resolution is acceptable.

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10. Termination:

End of the tenure or resignation or termination of the office or removal etc. shall be in accordance with the applicable laws.

It is pertinent to note that the Act including rules framed thereunder, the Listing Regulations and any other applicable law, rules, regulations etc. will govern everything related to the appointment, roles and responsibilities, tenure, remuneration, retirement or resignation or termination of service etc. of all Independent Directors of the Company.

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