TAiNWALA

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

[Pursuant to the provisions of Schedule IV to the Companies Act, 2013 ("the Act") and Regulation 46 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015]

The broad terms and conditions of appointment of Independent Directors are reproduced hereunder:

1. APPOINTMENT:

1.1 The appointment of Non-Executive Independent Director on the Board of Directors of Tainwala Chemicals & Plastics (India) Limited (TCPL) is made for a term of five years. The appointment is also subject to the maximum permissible Directorships that one can hold as per the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

1.2 The Independent Director will not be liable to retire by rotation.

1.3 The term Independent Director should be construed as defined under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

1.4 The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. Accordingly, the Independent Directors will serve for not more than two terms of five 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 Companies Act, 2013.

1.5 So long as Individual is an Independent Director of the Company, he will ensure that he does not get disqualified to act as a Director pursuant to the provisions of Section 164 of the Act.

2. TIME COMMITMENT:

2.1 The Independent Director is 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 Governance.

The Independent Directors will be expected to attend Board, Committees meetings and Shareholders meetings and to devote such time as appropriate to discharge duties effectively. Ordinarily, all meetings are held in Mumbai.

2.2 By accepting appointment, the Independent Directors confirm that they are able to allocate sufficient time to meet the expectations from their role to the satisfaction of the Board.

3. ROLE, DUTIES AND RESPONSIBILITIES:

The role and duties of Independent Directors of Company will be those normally required of an Independent Director under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. As a member of the Board, Independent Directors along with the other Directors will be collectively responsible for meeting the objectives of the Board which includes:

- Requirements under the Companies Act, 2013
- "Responsibilities of the Board" as outlined and as amended from time to time, in the Corporate Governance requirement as prescribed by the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015
- Accountability under Directors' Responsibility Statement
- Overseeing the maintenance of high standards of Company's values and ethical conduct of business.

The Independent Directors shall abide by the "Code for Independent Directors" as outlined in Schedule IV to Section 149 (8) of the Companies Act 2013, and duties of Directors as provided in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

Independent Directors shall be responsible for providing guidance in your area of expertise.

The Independent Directors are expected to:

i. take decisions objectively and solely in the interests of the Company;
ii. facilitate Company's adherence to high standards of ethics and corporate behaviour;
iii. guide the Board in monitoring the effectiveness of the Company's governance practices and to recommend changes, required if any;
iv. 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;
v. 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. REMUNERATION:

The Independent Directors shall be paid sitting fees for attending the meetings of the Board and the Committees in which he is a member.

The sitting fees presently paid to the Independent Directors are:

A) Rs. 25,000/- per meeting of the Board
B) Rs. 10,000/- per meeting of the Audit Committee
C) Rs. 10,000/- per meeting of the Nomination and Remuneration Committee
D) Rs. 10,000/- per meeting of the Stakeholders Relationship Committee

Pursuant to applicable law, an Independent Director will not be entitled to any stock options.

REIMBURSEMENT OF EXPENSES:

Further the Company may pay or reimburse to Independent Directors such fair and reasonable expenditure, as may have been incurred by him while performing his role as an Independent Director of the Company. This could include reimbursement of expenditure incurred by Independent Directors for attending Board/ Committee meetings, Annual General Meetings, Extraordinary General Meetings, court convened meetings, meetings with shareholders/ creditors/ management, site visits, induction and training (organised by the Company for Directors) and in obtaining, subject to prior consultation with the Board.

5. CONFLICT OF INTEREST:

It is accepted and acknowledged that Independent Directors may have business interests other than those of the Company. As a condition to their appointment commencing, they are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of their appointment.

In the event that their 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 of their independence, this should be disclosed to both the Chairman and the Secretary.

6. CONFIDENTIALITY:

All information acquired during appointment is confidential to TCPL and should not be released, either during 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, Independent Director shall surrender any documents and other materials made available to him by TCPL.

The Independent Directors attention is also drawn to the requirements under the applicable regulations and the TCPL Insider Trading Code which concern the price sensitive information and dealing in the securities of TCPL. Consequently he 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 Secretary.

7. DISCLOSURE OF INTEREST:

The Company must include in its Annual Accounts a note of any material interest that a Director may have in any transaction or arrangement that the Company has entered into. Such interest should be disclosed no later than when the transaction or arrangement comes up at a Board meeting so that the minutes may record Independent Director interest appropriately and records are updated. A general notice that Independent Director is interested in any contracts with a particular person, firm or company is acceptable.

8. PERFORMANCE APPRAISAL/EVALUATION PROCESS:

As a member of the Board, Independent Director performance as well as the performance of the entire Board and its Committees shall be evaluated annually. Evaluation of each Director shall be done by all the other Directors. The criteria for evaluation of shall be determined by the Nomination and Remuneration Committee and 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. An indicative list of factors that may be evaluated as part of the exercise are:

- Participation and contribution by a Director.
- Commitment (including guidance provided to senior management outside of Board/ Committee meetings)
- Effective deployment of knowledge and expertise
- Effective management of relationship with stakeholders
- Integrity and maintenance of confidentiality
- Independence of behavior and judgment
- Impact and influence

9. TERMINATION:

a. Independent Director may resign from his position at any time and should he wish to do so, he is requested to serve a reasonable written notice on the Board.

b. Continuation of appointment is contingent on getting re-elected by the shareholders in accordance with provisions of Companies Act, 2013 and the Articles of Association of the Company, from time to time in force. Independent Director will not be entitled to compensation if the shareholders do not re-elect at any time.