

ASIAN PETROPRODUCTS AND EXPORTS LIMITED

Terms & Conditions of appointment of Independent Director

1. Period of Appointment

Subject to the provisions of the Companies Act, 2013, and rules made thereunder and Listing Agreement, in force, the appointment of a Director shall be for the term of 5 years.

2. Expectation of the Board from the appointed Director

The Board expects from the appointed Independent Director that he/she shall:

- adhere to the Code of Conduct of the Company for the members of the Board and Senior Management as laid down by the Board and confirm adherence of the same on an annual basis.
- understand and carry out diligently, his roles & functions and duties as provided under Schedule IV to the Companies Act, 2013.
- comply with the provisions of the Companies Act, 2013 and the rules made thereunder, including any statutory modification or amendment thereof and provisions of the listing agreement executed by the Company with stock exchanges as applicable to him/her as Independent Director.
- shall act diligently and in good faith for the interest of the Company
- shall avoid conflict of interest with the overall interests of the Company.

3. During the tenure as Independent Director, he/she may be requested to serve on one or more Committees of the Board. The Director is expected to carry out his duties / tasks as member/chairman of such Committee(s) of the Board as per the terms of reference of such committee(s).

4. The fiduciary duties that come with such appointment along with accompanying liabilities:

- A director of a company 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 interests of the company, its employees, the shareholders, community and for the protection of environment.
- The Director shall disclose interest in any of the contract or arrangements and also disclose the interest on periodical basis as required under law.
- The Director shall not misuse the assets, property, information or any other matter that he/she may have access to, in the capacity as a Director of the Company. The Director shall not engage in Insider Trading Activities.
- A director of a company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.

The above list is only indicative and not exhaustive.

5. The Company has formulated a detailed Code of Conduct for the Board of Directors and Senior Employees of the Company. The Code of Conduct is also displayed in the Company's website. The Director shall affirm compliance with the code on an annual basis.

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6. The Directors shall not:

- Misuse the information in his/her possession.
- Engage in any way (both directly and indirectly) in any activity having conflict of interest with that of the Company.
- Break any law of the land or indulge or provoke the co-directors or employees to do the same.
- Enter into any contract or arrangement wherein he is directly or indirectly interested as per the provisions of the act.
- A director of a company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.
- A director of a company shall not assign his office and any assignment so made shall be void.

7. Evaluation

As a member of the Board, the performance of a Director as well as the performance of the entire Board and its Committee shall be evaluated annually. Evaluation of the each Director shall be done by the other Directors. The criteria of evaluation shall be determined by the Nomination and Remuneration Committee. However, the actual evaluation process shall remain confidential and shall be constructive mechanism to improve the effectiveness of the Board/Committee.

8. Remuneration/Fees:

The Independent Directors shall be paid sitting fees, as may be determined by the Board, for participating in the Board, Committee Meetings or other meetings. The out of pocket expenses reasonably incurred by the Directors for attending the Board or Committee Meetings or any other work of the Company may be reimbursed.

9. Confidentiality:

- The Director must apply the highest standards of confidentiality and not disclose to any person or company (whether during the course of the Appointment or at any time after its termination) any confidential information concerning the Company and any Group Companies with which the Director comes into contact by virtue of his/her position as an Independent Director of the Company.
- The attention is drawn to the requirements under the applicable laws as to the disclosure of price-sensitive information. Consequently he/she should avoid making any statements that might risk a breach of these requirements without prior clearance from the other Members of the Board of Directors of the Company. On termination of the Appointment the Director will deliver to the Company all books, document, papers and other property of or relating to the business of the Company which are in his/her possession, custody or power by virtue of his/her position as an Independent Director of the Company. The Company may arrange the disposal of papers that the Director no longer requires.

For **ASIAN PETROPRODUCTS AND EXPORTS LIMITED**

Sd/-
Managing Director