



# PUNJAB CHEMICALS

AND CROP PROTECTION LTD.

CIN NO. L24231PB1975PLC047063

Regd. Office & Works

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Ref: PCCPL/RC/ 1470  
Date: July 29, 2025

Mr. Kapil Kumar Mehan  
C-152, Tower-C, 15th Floor  
DLF Pinnacle, Golf Course Road  
DLF Phase-5, Sector 43  
Gurgaon, Haryana-122009

Sir

**Subject: Appointment as "Independent Director-First Term of Five Consecutive Years".**

We are pleased to inform you that on the recommendation of Nomination & Remuneration Committee, on April 30, 2025 and the approval of the Board of Directors, the shareholders of the Company have approved your appointment as an Independent Director of the Company, for the first term of five consecutive years with effect from April 30, 2025 upto April 29, 2030. The terms of your appointment, as set out in this letter, are subject to the extant provisions of applicable laws, including the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Act, (including any statutory modification(s) or reenactment(s) thereof for the time being in force), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the Company's Articles of Association, and the same are as follows:

## 1. Appointment

- 1.1 You have been appointed as a Non-Executive Independent Director on the Board of the Company for the first term of five consecutive years with effect from April 30, 2025 upto April 29, 2030. Your appointment has been approved by the Board of Directors in its meeting held on April 30, 2025 and shareholders of the Company at the 49<sup>th</sup> Annual General Meeting held on July 29, 2025, as per the provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Act, (including any statutory modification(s) or reenactment(s) thereof for the time being in force), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

We understand that your appointment is within the maximum permissible Directorships that one can hold in all the companies as per the provisions of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

As an Independent Director you are appointed for the first term of five consecutive years, subject to related rules and regulations and will not be liable to retire by rotation at the Annual General Meetings.

- 1.2 The term Independent Director should be construed as defined under the Act and the applicable rules made thereunder read with Schedule IV to the Act, SEBI Listing Regulations.
- 1.3 Please note that the Independent Directors can serve for not more than two terms of five years each on the Board of the Company.
- 1.4 The Company is at liberty to disengage Non Executive Independent Director earlier subject to compliance of relevant provisions of Companies Act, 2013.



## 2. Committees

The Board of Directors (the Board) may, if it deems fit, invite you for being appointed on one or more existing Board Committees or any such Committees that are set up in the future. Your appointment on such Committee(s) will be subject to the provisions of the Companies Act, 2013 and the rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## 3. Commitment

3.1 As a Non-Executive Director you are expected to bring objectivity and independence of view to the Board's discussions and to help 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.

## 4. Role, Duties and responsibilities

- A. As member of the Board you along with the other Directors will be collectively responsible for meeting the objectives of the Board which include:
  - i) Compliance under the Companies Act, 2013.
  - ii) "Responsibilities of the Board", as outlined in the Corporate Governance requirements as prescribed by Stock Exchanges under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
  - iii) Accountability under the Director's Responsibility Statement.
  - iv) Overseeing the maintenance of high standards of values and ethical conduct of business.
  - v) Overseeing the Company's contribution to enhancing the quality of life of communities.
- B. You shall also act in accordance with the Company's Articles of Association.
- C. 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.
- D. You shall discharge your duties with due and reasonable care, skill and diligence.
- E. 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.
- F. You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.
- G. You 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 2013 Act (including Section 166) and in SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

## 5. Time Commitment

Considering the nature of the role of a director, it is difficult for a Company to lay down specific parameters on time commitment. You agree to devote such time as is prudent and necessary for the proper performance of your role, duties and responsibilities as an Independent Director.

## 6. Remuneration

As an Independent Director, you shall be paid sitting fees for attending the meetings of the Board and the Committees of which you are a member.



The sitting fees payable to you is as follows:

- Board – Rs.15,000/- per meeting.
- Committee – Rs.15,000/- per meeting.

(The sitting fees is subject to change by the Board of Directors from time to time but not exceeding the ceiling prescribed under the Companies Act, 2013).

In addition to the sitting fees, commission calculated on the net profit of the company as per the provisions of the Companies Act, 2013 may also be payable to you in the year of profit. In determining the amount of this commission, the Chairman of the Company on the recommendation of the Nomination and Remuneration Committee may decide after considering various factors as disclosed in the remuneration policy of the Company. An indicative list of the factors that may be considered are as follows:

- Attendance at Board Meetings.
- Attendance at Board Committee Meetings.
- Chairmanship of the Board.
- Chairmanship of Board Committees.
- Contribution at Board and Committee meetings.
- Guidance and support provided to senior management of the Company.
- Industry practices.
- Performance evaluation and
- Performance of the Company.

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

#### **7. Insurance**

The Company will take an appropriate Directors' and Officers' Liability Insurance policy and pay the premiums for the same. It is intended to maintain such insurance cover for the Term of your appointment, subject to the terms of such policy in force from time to time. A copy of the policy document will be supplied on request.

#### **8. Conflict of Interest**

- 8.1 It is accepted and acknowledged that you may have business interests other than those of the Company. As a condition to your appointment commencing, 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.
- 8.2 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 judgment that you are independent, this should be disclosed to the Board through both the Chairman and the Secretary.

#### **9. Code of Conduct**

As an "Independent Director" of the Company, you agree to comply with the PCCPL Code of Conduct for Non-Executive Directors (NEDs). The same is available on the website ([www.punjabchemicals.com](http://www.punjabchemicals.com)) of the Company. However, if desired, hard copy of the same can also be obtained from the Secretarial Department of the Company.



Unless specifically authorized by the Company, you shall not disclose business information of the Company to any public constituencies such as the media, the financial community, employees, shareholders, agents, franchises, dealers, distributors and importers etc.

You shall keep the information relating to the Company as strictly confidential.

We would also like to draw your attention to the applicability of both, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the PCCPL Code of Conduct on Prevention of Insider Trading Policy, prohibiting disclosure or use of unpublished price sensitive information.

Additionally, you shall not participate in any business activity which might impede the application of your independent judgment in the best interest of the Company.

#### **10. Induction and Development**

The Company shall, if required, conduct formal induction program for its Independent Directors which may include any or all of the following:

- Board roles and responsibilities, whilst seeking to build working relationship among the Board members,
- Company's vision, strategic direction, core values, ethics and corporate governance practices,
- Familiarization with financial matters, management team and business operations,
- Meetings with stakeholders, visits to business locations and meetings with senior and middle management.

The Company shall, as may be required, support Directors to continually update their skills and knowledge and improve their familiarity with the company and its business. The Company will fund/arrange for training on all matters which are common to the whole Board.

#### **11. Performance Appraisal / Evaluation Process**

As a member of the Board, your 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 shall be determined by the Nominations 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 this exercise is:

- 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 behaviour and judgment, and
- Impact and influence.

#### **12. Disclosures under Companies Act and other relevant provisions of SEBI (LODR), other directorships and business interests**

In line with the amendment in the Companies (Appointment and Qualification of Directors) Rules, 2014 vide notification dated 22nd October, 2019 (Effective date is 1st December, 2019), the Independent Director of the



Company is required to apply for registration in the Databank maintained by the Indian Institute of Corporate Affairs (IICA) and should pass an online proficiency self-assessment test conducted by the institute within a period of 1 year from the date of inclusion in the database. However, test is not required to be undertaken, if the Independent Director appointed has served for not less than 10 years as on the date of inclusion of his name in the databank as director/ KMP in a listed public/ unlisted public company having a paid-up share capital of INR 10 crore or more. You shall submit the status of your registration in the data bank and passing of self assessment test as mentioned above.

The Independent Director shall submit declaration of compliance together with the declaration of independence under section 149(7) of the 2013 Act and SEBI LODR.

During your Term, you agree to promptly provide a declaration under Section 149(7) of the 2013 Act, upon any change in circumstances which may affect your status as an Independent Director.

During the Term, you agree to promptly notify the Company of any change in your Directorships, and provide such other disclosures and information as may be required under the applicable laws. You also agree that upon becoming aware of any potential conflict of interest with your position as Independent Director of the Company, you shall promptly disclose the same to the Chairman and the Company Secretary. Please confirm that as on date of this letter, you have no such conflict of interest issues with your existing directorships

### **13. Changes of personal details**

During the Term, you shall promptly intimate the Company Secretary and the Ministry of Corporate Affairs in the prescribed manner, of any change in address or other contact and personal details provided to the Company.

### **14. Termination**

Your directorship on the Board of the Company shall terminate or cease in accordance with law.

You may resign from the directorship of the Company by giving a notice in writing to the Company stating the reasons for resignation. The resignation shall take effect from the date on which the notice is received by the Company or the date, if any, specified by you in the notice, whichever is later.

If at any stage during the Term, there is a change that may affect your status as an Independent Director as envisaged in Section 149(6) of the 2013 Act or, if applicable, you fail to meet the criteria for "independence" under the provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, you agree to promptly submit your resignation to the Company with effect from the date of such change in status.

### **15. Cooperation**

In the event of any claim or litigation against the Company, based upon any alleged conduct, act or omission on your part during your Term, you agree to render all reasonable assistance and cooperation to the Company and provide such information and documents as are necessary and reasonably requested by the Company or its counsel.

### **16. Miscellaneous**

- This letter represents the entire understanding, and constitutes the entire agreement relating to your appointment and supersedes any previous agreement between yourself and the Company with respect thereto and, without prejudice to the generality of the foregoing, excludes any warranty, condition or other undertaking implied at law or by custom.
- No waiver or modification of this letter shall be valid unless made in writing and signed by you and the Company.



- As per SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, this letter along with your detailed profile shall be disclosed on the website of the Company and the relevant stock exchange.

#### 17. Acceptance of Appointment

We are confident that the Board and the Company will benefit immensely from your rich experience and we are eager to have you as an integral part of the growth of our Company. If these terms of appointment are acceptable to you, please confirm your acceptance by signing and returning the enclosed copy of this letter.

We thank you for your continued support and commitment to the Company.

Yours Sincerely,

For PUNJAB CHEMICALS AND  
CROP PROTECTION LIMITED

SHALIL S SHROFF  
MANAGING DIRECTOR



#### AGREE AND ACCEPT

I have read and understood the terms of my appointment as an Independent Director of the Company and I hereby affirm my acceptance to the same.

Name: KAPIL KUMAR MEHAN

Place: Derabassi

Date : July 29, 2025