Rama Petrochemicals Limited
MSME REGN NO. : UDYAM–MH–27–0000324
CIN : L23200MH1985PLC035187
REGD. OFFICE :
SAVROLI KHARPADA ROAD,
VILLAGE VASHIVALI, P.O. PATALGANGA,
TALUKA KHALAPUR,
DISTRICT RAIGAD - 410 220. MAHARASHTRA
TEL : 02192 250329
02192 251211
E-MAIL: rama@ramagroup.co.in
WEB : www.ramapetrochemicals.com

Name of document	**Code of Conduct for Independent Directors**
Applicability	**Rama Petrochemicals Limited**
Effective date	**May 27, 2025**

1. Introduction

This Code is a guide to professional conduct for Independent Directors of Rama Petrochemicals Limited. Adherence to these standards by Independent Directors and fulfillment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and the Company.

2. Independent Director

'Independent Director' shall mean a Non-Executive Director other than a Nominee Director of the Company as per section 149 of the Companies Act 2013 read with rules, if any, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any amendment made thereof from time to time

3. Declaration

Every Independent Director shall at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an Independent Director, give a declaration that he meets the criteria of independence.

4. Limit on number of directorships:

a. A person shall not serve as an Independent Director in more than seven Listed Companies.

b. Further, any person who is serving as a Whole Time Director in any listed company shall serve as an Independent Director in not more than three listed companies.

5. Disclosure of Directors Interest

Every director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures
already made, then at the first Board meeting held after such change, disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals which shall include the shareholding, in Form MBP-I.

6. Guidelines of professional conduct

An Independent Director shall:

a. Uphold ethical standards of integrity and probity

b. Act objectively and constructively while exercising his duties

c. Exercise his responsibilities in a bona fide manner in the interest of the company;

d. Devote sufficient time and attention to his professional obligations for informed and balanced decision making

e. Not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company, while concurring in or dissenting from the collective judgment of the Board in its decision making

f. Not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person

g. Refrain from any action that would lead to loss of his independence

h. Where circumstances arise, which make an Independent Director lose his independence, the Independent Director must immediately inform the Board accordingly

i. Assist the company in implementing the best corporate governance practices.

7. Roles and Functions

The Independent Directors shall:

a. Help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;

b. Bring an objective view in the evaluation of the performance of board and management;

c. Scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;

d. Satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;

e. Safeguard the interests of all stakeholders, particularly the minority shareholders;

f. Balance the conflicting interest of the stakeholders;

g. Determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;

h. Moderate and arbitrate in the interest of the company, in situations of conflict between management and shareholder's interest.

8. Duties

The Independent Directors shall—

a. Undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;

b. Seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;

c. Strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;

d. Participate constructively and actively in the committees of the Board in which they are chairpersons or members;

e. Strive to attend the general meetings of the company;

f. Where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;

g. Keep themselves well informed about the company and the external environment in which it operates;

h. Not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;

i. Pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;

j. Ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;

k. Report concerns about unethical, actual or suspected fraud or violation of the company's code of conduct behavior or ethics. policy;

l. Acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;

m. Not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law

n. Shall act in accordance with the articles of the company

o. 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, the community and for the protection of environment

p. Shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment

q. Shall not involve 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

r. 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

s. Shall not assign his office and any assignment so made shall be void.

9. Manner of appointment

a. Appointment process of Independent Directors shall be independent of the company management. While selecting Independent Directors, the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board to enable the Board to discharge its functions and duties effectively.

b. The appointment of Independent Director(s) of the company shall be approved at the meeting of the shareholders.

c. The explanatory statement attached to the notice of the meeting for approving the appointment of Independent Director shall include a statement that in the opinion of the Board, the Independent Director proposed to be appointed fulfills the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.

d. The appointment of Independent Directors shall be formalized through a letter of appointment, which shall set out:

- The term of appointment
- The expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;
- The fiduciary duties that come with such an appointment along with accompanying liabilities
- Provision for Directors and Officers (D and O) insurance, if any
- The Code of Business Ethics that the company expects its directors and employees to follow
- The list of actions that a director should not do while functioning as such in the company; and
- The remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.

e. The terms and conditions of appointment of Independent Directors shall be open for inspection at the registered office of the company by any member during normal business hours

f. The terms and conditions of appointment of Independent Directors shall also be posted on the company's website.

10. Re-appointment

Subject to the provisions of section 152, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company, but shall be eligible for reappointment on passing of a special resolution by the company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after the expiration of three years of ceasing to become an Independent Director, provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the company in any other capacity, either directly or indirectly.

The re-appointment of Independent Director shall be on the basis of report of performance evaluation.

11. Retire by Rotation

An Independent Director is not liable to retire by Rotation

12. Remuneration

Independent Director may receive remuneration by way of fee for attending meetings of the Board or Committee thereof shall not exceed Rs. 1 lakh per meeting of the Board or Committee thereof.

Provided that the sitting fees payable to independent director shall not be less than sitting fees payable to other directors.

Independent Director shall not be entitled to any stock option and may receive remuneration by way of fee provided under sub-section (5) of section 197, reimbursement of expenses for participation in the Board and other meetings and profit related commission as may be approved by the members.

The remuneration payable to Independent Director shall not exceed:

a. 1 percent of the net profit of the company, if there is a managing or whole-time director or manager

b. 3 percent of the net profit in any other case

The percentages aforesaid shall be exclusive of any fees payable to directors under sub-section (5) of section 197 of the Companies Act, 2013.

13. Resignation or removal

a. The resignation or removal of an Independent Director shall be in the same manner as is provided in sections 168 and 169 of the Act.

b. An Independent Director who resigns or is removed from the Board of the Company shall be replaced by a new Independent Director within three months from the date of such resignation or removal.

c. Where the company fulfills the requirement of Independent Directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new Independent Director shall not apply.

14. Separate meetings

a. The Independent Directors of the company shall hold at least one meeting in a financial year, without the attendance of non-Independent Directors and members of management;

b. All the Independent Directors of the company shall strive to be present at such meeting;

c. The meeting shall:

- Review the performance of non-Independent Directors and the Board as a whole;
- Review the performance of the Chairperson of the company, considering the views of executive directors and non-executive directors.
- 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.

15. Performance evaluation of Independent Directors:

a. The Nomination and Remuneration and Compensation Committee shall lay down the evaluation criteria for performance evaluation of Independent Directors.

b. The company shall disclose the criteria for performance evaluation, as laid down by the Nomination and Remuneration and Compensation Committee, in its Annual Report.

c. The performance evaluation of Independent Directors shall be done by the entire Board of Directors (excluding the director being evaluated)

d. Based on the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the Independent Director.

16. Training of Independent Directors

a. The company shall provide suitable training to Independent Directors to familiarize them with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc.

b. The details of such training imparted shall be disclosed in the Annual Report.

17. <u>Interpretation</u>

In case of any conflict between the provisions of this Policy and of Statutory Provisions, the Statutory Provisions shall prevail over this Policy. Any subsequent amendment/ modification in the Statutory Provisions shall automatically apply to this Policy.

18. Amendments:

The policy is a public document and shall be uploaded on the website of the Company. The Board shall have the power to amend the policy or replace the policy entirely with a new policy. However, the Managing Director/Whole Time Director and the Company Secretary are jointly authorized to provide clarifications or to amend the Policy to give effect to any changes / amendments notified by the Securities Exchange Board of India. Consequently, the policy shall be placed before the Board for their noting and ratification.

For RAMA PETROCHEMICALS LIMITED

HARESH D. RAMSINGHANI
MANAGING DIRECTOR
DIN 00035416