



LETTER OF APPOINTMENT

Date: October 01, 2015

Dear Ms. Rashmi Aahuja

I am writing to confirm that the Board and the Members have approved your appointment as an Independent Director on the Board of Directors of Amrapali Industries Limited (hereinafter referred to as 'the Company') to hold office for a period up to March 30, 2020. This letter of appointment sets out the terms and conditions covering your appointment, which are as follows:

1. Appointment

1.1 You will be appointed as a Non-Executive Independent Director on the Board of Directors of the Company with effect from September 28, 2015. Your appointment is subject to the extant provisions of the Companies Act, 2013, as amended from time to time.

1.2 The term "Independent Director" should be construed as defined under the Companies Act, 2013 and the listing agreement.

1.3 The Company has adopted the provisions with respect to appointment and tenure of Independent Directors as are consistent with the Companies Act, 2013 and the listing agreement. The Company is at liberty to disengage a Non-Executive Independent Director earlier subject to compliance of the relevant provisions of the Companies Act, 2013 and the listing agreement.

1.4 As an Independent Director you are not liable to retire by rotation.

2. Committees

You are currently a member of the Nomination and Remuneration Committee of the Company. The Board of Directors (the Board) may invite you for being appointed on one or more of the existing Board Committees or any Committee(s) that may be set up in the future. Your appointment on such Committee(s) will be subject to the applicable legal requirements.

3. Time Commitment

3.1 As a Non-Executive Independent Director you are expected to bring objectivity and independence to the Board's discussions and 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 Board and the audit committee meet at least four times in a year. The Nomination and Remuneration Committee meetings are ordinarily convened twice in a year and other committees as per requirement. You will be expected to attend the Board, the Board Committees and the Annual General Meetings and to devote sufficient time, as required for you to discharge your duties effectively. Ordinarily, all meetings are held in Ahmedabad at Register office of the Company.

3.2 By accepting this appointment, you confirm that you are in a position to allocate sufficient time to meet the expectations of your role to the satisfaction of the Board.

4. Fiduciary Duties

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Regd. Office :

19-20-21, Narayan Chambers, T+91 79 26581329/30
111rd Floor, B/h. Patang Hotel, T+91 79 26575105/06
Ashram Road, Ahmedabad-9. F+91 79 26579169/26584313
CIN : L91110GJ1988PIC010674
E-mail : ail@amrapali.com / www.amrapali.com

trading window is closed. You are also required to comply with the applicable SEBI insider trading laws and regulations.

8. Evaluation

The Company will carry out an evaluation of the performance of the Board as a whole, Board Committees and the Directors on an annual basis. Your appointment and reappointment on the Board shall be subject to the outcome of the yearly evaluation process.

9. Disclosure of Interest

It is expected that any interest you may have in any transaction or arrangement that the Company has entered into should be disclosed no later than when the transaction or arrangement comes up at a Board meeting so that the minutes may record your interest appropriately and our records are updated. A general notice that you are interested in any contracts with a particular person, firm or company is acceptable.

10. Termination

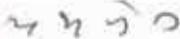
13.1. You may resign from your position at any time and should you wish to do so, you are requested to serve a reasonable written notice to the Board.

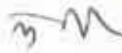
13.2 Continuation of your appointment is contingent on your getting re-elected by the shareholders in accordance with provisions of the Companies Act, 2013, listing agreement and the Articles of Association of the Company, from time to time in force. You will not be entitled to any compensation if the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

13.3. Your appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company.

Yours Sincerely,

For Amrapali Industries Limited







Mr. Yashwant Thakkar
Managing Director
DIN: 00071126

Schedule IV of Companies Act, 2013
[See section 149(8)]
CODE FOR INDEPENDENT DIRECTORS

Background

The Code is a guide to professional conduct for independent directors. 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 companies in the institution of independent directors.

This Code of Conduct for Independent Directors is additional Code in addition to Code of Conducts for Board of Directors and Senior Management Personnel. Independent Directors of Amrapali Industries Limited shall comply with both the Codes namely Codes for Independent Director and Codes of Conduct for Board of Directors and Senior Management Personnel.

Guidelines of professional conduct

An independent director shall

- 1) uphold ethical standards of integrity and probity
- 2) act objectively and constructively while exercising his duties;
- 3) exercise his responsibilities in a bona fide manner in the interest of the company.
- 4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- 5) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- 6) 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;
- 7) refrain from any action that would lead to loss of his independence;
- 8) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- 9) assist the company in implementing the best corporate governance practices.

Roles and functions

The independent directors shall

- 1) 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;



- 2) bring an objective view in the evaluation of the performance of board and management;
- 3) scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- 4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- 5) safeguard the interests of all stakeholders, particularly the minority shareholders;
- 6) balance the conflicting interest of the stakeholders;
- 7) 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;
- 8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

Duties

The independent directors shall

- 1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- 2) 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;
- 3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- 4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- 5) strive to attend the general meetings of the company;
- 6) 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;
- 7) keep themselves well informed about the company and the external environment in which it operates;
- 8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- 9) 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;
- 10) 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;
- 11) report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy;



- 12) acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- 13) 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.

Manner of appointment

- 1) 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 so as to enable the Board to discharge its functions and duties effectively.
- 2) The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.
- 3) 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.
- 4) The appointment of independent directors shall be formalized through a letter of appointment, which shall set out;
 - a) the term of appointment;
 - b) 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;
 - c) the fiduciary duties that come with such an appointment along with accompanying liabilities;
 - d) provision for Directors and Officers (D and O) insurance, if any;
 - e) the Code of Business Ethics that the company expects its directors and employees to follow;
 - f) the list of actions that a director should not do while functioning as such in the company; and
 - g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.
- 5) 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.
- 6) The terms and conditions of appointment of independent directors shall also be posted on the company's website.

Re-appointment

The re-appointment of independent director shall be on the basis of report of performance evaluation.



Resignation or removal

- 1) 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.
- 2) An independent director who resigns or is removed from the Board of the company shall be replaced by a new independent director within a period of not more than one hundred and eighty days from the date of such resignation or removal, as the case may be.
- 3) 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.

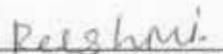
Separate meetings

- 1) The independent directors of the company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management;
- 2) All the independent directors of the company shall strive to be present at such meeting;
- 3) The meeting shall;
 - a) review the performance of non-independent directors and the Board as a whole;
 - b) review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
 - c) 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.

Evaluation mechanism

- 1) The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.
- 2) On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

I hereby acknowledge receipt of and accept the terms set out in this letter.


Ms. Rashmi Aahuja
Independent Director
DIN: 06976600



Date: October 1, 2014

To,

Dear **Mr. Mayur Parikh**

On behalf of all the Board members of Amrapali Industries Limited, I would like to express my gratitude to you for providing your services as an Independent Board Member. Your contributions have been significant and the company has gained immensely emanating from your vast experience and expertise.

The purpose of this letter is to inform you about the new provisions related to the Independent Director (ID) introduced under the new Company law i.e. Companies Act, 2013. The Act, 2013 has specifically defined the roles, duties, liabilities and the manner of appointment of IDs on the Board and various Committees of the Company. The newly enacted Companies Act 2013 requires that a Company should issue appointment letter to all its Independent Directors.

You have already been a member of the Board since more than twenty years. However, in fulfillment of the requirements of the revised law, the Members of the Company, in their 26th Annual General Meeting held on September 30, 2014, have appointed you as an Independent Director of the Company to hold office for a term up to September, 2019 and based on approval of the Members, we are pleased to issue this formal appointment letter to you. This letter will set out the terms of your appointment and your roles, duties, responsibilities and liability as an Independent Director on the Board of the Company.

Kindly return the duplicate copy of this letter, and the terms of Appointment enclosed herewith, duly signed by you in confirmation.

We look forward to your continued support and guidance.

Thanking You,

Yours sincerely,

For, Amrapali Industries Limited

Yashwant Thakkar

Managing Director

DIN: 00071126

Encl: As above

TERMS OF APPOINTMENT OF INDEPENDENT DIRECTOR

On behalf of the Company, I write to confirm your appointment as an Independent Non-Executive Director of the Company, as per the provision of the Companies Act, 2013 to hold office for a term up to September, 2019. I set out below the terms of your appointment:

1. TERM OF OFFICE

Your appointment is subject to the provisions of Companies Act, 2013 regarding appointment, fees, expensed, retirement, disqualification and removal of director. You may cease to hold office as a Director: You shall not be liable to retire by rotation as per the relevant provisions of the Companies Act, 2013.

At any time that you resign by written notice, it is desirable that you give the Chairman reasonable forewarning of your intention to resign or to not seek re-appointment where that is possible so that the company can plan for succession of skills and experience on the Board; and you may be required to vacate office for any reason pursuant to any of the provisions of the Companies Act, 2013; or

You may be removed as a director or otherwise required to vacate office under any applicable law and under the Article of Association of the Company.

Your performance as an Independent Director will be reviewed during your tenure with the Company in accordance with processes agreed by the Board from time to time. You agree to participate in such reviews.

2. COMMITMENTS

A) Independent Director

You will be expected to devote such time as is necessary for the proper performance of your duties and as an independent Director you will be involved in a number of board and committee meetings each year. You should strive to attend all the scheduled board meetings, General Meetings; Committees board Meetings and other meetings or attendance as necessary.

As an independent director you should strive to hold and present in at least one meeting in a year without the presence of non-independent directors and members of management with the sole objective of:

- a) review the performance of non-independent directors and the Board as a whole;
- b) review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors,
- c) 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.

By accepting this appointment, you have confirmed that you are able to allocate sufficient time to meet the expectations of your role.

B) The Company

- a) The Company shall provide you with adequate notice of the dates of proposed board meeting, general meetings, and meetings of board committees. As per the provision of the Companies Act, 2013 the company is expected to give you an advance notice of minimum 7 days of every board and committee meetings. A meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that at least one independent director, shall be present at the meeting and in case of absence of independent directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one independent director. The notice of the Board/Committee meetings will be provided along with the agenda of the Board/Committee meetings.
- b) Company shall inform the directors about any upcoming events in the company.
- c) Company shall ensure that director is updated about latest happening in the industry and in the field of law applicable on the company by allowing them to visit the seminars held in these respect
- d) It shall be the responsibility of the Company to provide the independent director with all the information and documents they validly require to fulfill their functions.
- e) The company shall ensure that the independent directors are aware of their statutory obligations.

3. CODE OF CONDUCT, FUNCTIONS AND DUTIES

You will be expected to perform your duties, whether statutory, fiduciary or common law, faithfully, efficiently and diligently to a standard commensurate with both the functions of your role and your knowledge, skills and experience. You will have all the usual duties of an independent director under Company law including attendance at board meetings, the annual general meeting, meetings of independent directors, meetings with investors and shareholders and other Board events together with such additional duties as may be agreed with the Board, and which may relate to the business of the Company or any other member of the Group. You will be required to serve on such committees as the Board may request, including but not limited to Audit, and/or Nomination and remuneration and/or Stakeholders' Grievances & Relationship Committee. In addition, you will be expected to devote appropriate preparation and travel time ahead of each meeting.

As a Director of the Company, you will have legal duties and obligations under Companies Act 2013. It is expected that you will familiarize yourself with the relevant Directors' Duties, roles and responsibilities as set out in **Annexure-I**.

4. LIABILITY

As an independent director you will be liable only in respect of such acts of omission or commission by a company which had occurred with your knowledge, attributable through Board processes, and with your consent or connivance or where you had not acted diligently.

5. CONFLICT OF INTEREST

By accepting this appointment you will be deemed to have confirmed that any other position you hold including your directorships in other organizations, shall not give rise to any conflicts of interest in relation to your appointment as an Independent Director of the Company. If you become aware of any conflict or potential conflict during your appointment, you are expected to notify the Company Secretary.

As an Independent Director you shall not engage in any activity/ies that is not expected from you as an Independent Director.

6. DISCLOSURES

You shall be required to submit certain information in the prescribed forms on a defined periodicity. Company Secretary shall be the coordinating officer for this. You are required to disclose to the Company your interests and any matters (excluding those matters which may be subject to legal professional privilege) which affect your independence.

During your tenure as an independent director you are required to give a declaration that you meet the criteria of independent every financial year as provided under Section 149 of the Companies Act, 2013. Format of disclosure is enclosed in **Annexure - II**.

7. REVIEW

The performance of individual directors, the whole Board and its committees is evaluated annually. If, in the interim, there are any matters which cause you concern about your role, you should discuss them with the Managing Director or the senior independent director as soon as you can.

8. CODE FOR INDEPENDENT DIRECTORS

You are required to abide by the Code for independent Directors as issued by the Company. **(Attached as an Annexure-III)**

9. INDUCTION & TRAINING

Where possible, directors will be encouraged to attend special training courses by various professional bodies to ensure that the directors are refreshed and equipped to perform their role in the highest standards and performance possible. You should feel free to request any further information which you require, at any time.

10.CONFIDENTIALITY AND ACCESS TO COMPANY RECORDS

Under Company law, Directors have a right of access to Company's documents and records, including financial records.

Any confidential information which may come to your knowledge in the performance of your duties as a director of the Company must not be divulged, except so far as:

- A. may be necessary in connection with the proper performance of your duties to the Company;
- B. the Company may from time to time authorise you to disclose such information as may be required by you with the condition that you will take all reasonable precautions as may be necessary to maintain the secrecy and confidentiality of all confidential information of the Company; or
- C. You may be required by law to disclose.

11.APPLICABLE LAW

This letter of appointment shall be governed by the laws of India.

Kindly confirm your agreement to the terms set out above by signing the endorsement on the enclosed copy of this. Please return the copy to us at the address of Company. In returning this letter duly signed, you agree that the Company may make this letter publicly available.

Yours sincerely

For, Amrapali Industries Limited

Yashwant Thakkar

Managing Director

DIN: 00071126

I have read and agree to the above terms regarding my appointment as an independent non-executive Director.

Signature:

Name : Mayur Parikh

DIN : 00005646

Date :

Place : Ahmedabad

POWER, DUTIES & RESPONSIBILITY OF INDEPENDENT DIRECTOR

A. PROFESSIONAL CONDUCT

As an Independent director of the Company, you shall:

- a. uphold ethical standards of integrity and probity;
- b. act objectively and constructively while exercising your duties;
- c. exercise your responsibilities in a bona fide manner in the interest of the Company;
- d. devote sufficient time and attention to your 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 as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- f. not abuse your 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 your independence;
- h. where circumstances arise which make you as an Independent Director lose your independence, you must immediately inform the Board accordingly;
- i. assist the Company in implementing the best corporate governance practices

B. ROLE AND FUNCTIONS

As an Independent director of the Company, you 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 yourself 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 as a whole, in situations of conflict between management and shareholder's interest.

C. DUTIES

As an Independent director of the Company, you 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 you are a member;
- d. participate constructively and actively in the committees of the Board in which you are a chairperson or a member;
- e. strive to attend the general meetings of the Company;
- f. ensure that your concerns about the running of the Company or a proposed action 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 yourself 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 behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
- l. acting within your 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.

DECLARATION BY INDEPENDENT DIRECTOR

"I _____, holding DIN _____ with respect to the position of Independent Director of Amrapali Industries Limited, hereby confirm that:-

- a. I do not hold designation of Managing Director or a Whole-time Director or a Nominee Director in the Company or its holding, subsidiary or associate company;
- b. I possess relevant expertise and experience as required for the designation;
- c. I possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, administration, research and corporate governance related to the company's business;
- d. I am not the nominee of any financial institution or of the Government or any of any other person, to represent their interest on the Board;
- e. I am or was not promoter of the company of the company or its holding, subsidiary or associate company and also not related to the promoters or directors in the company, its holding, subsidiary or associate company;
- f. I do not have or have had any pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year, apart from receiving Directors remuneration from the company u/s 149(9) of the Companies Act, 2013;
- g. None of my relative has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or fifty lakh rupees, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- h. Neither I nor any of my relative hold or has held the position of key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the current financial year;
- i. Neither I nor any of my relative is or has been an employee or proprietor or a partner in any of the three financial years immediately preceding the current financial year:
 - a. In a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company,
 - b. In any legal or a consulting firm that has or had any transaction

with the company, its holding co, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm,

- j. I or any of my relative do not hold together with my relatives 2% or more of the total voting power of the company.
- k. I or any of my relative is not a material supplier, service provider or customer or a lessor or lessee of the company.
- l. Neither I or nor any of my relatives is a Chief Executive Officer (CEO) by whatever name called, of any nonprofit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company.
- m. I am not disqualified to act as an Independent Director under any provision of Companies Act, 2013 and rules made there under, or any other law for the time being in force in India or under Listing Agreement of the Stock Exchanges.

I further confirm that:-

- a. I do not hold the position of Independent Director in more than 7 listed companies;
- b. I am not holding the position of Whole-time Director in any listed company and serving as an Independent Director not more than in 3 listed companies at the same time;
- c. I am not the member in more than ten committees of Audit Committee and the Stakeholders' Relationship Committee across all public limited companies where I am acting as director.
- d. I am not Chairman in more than five Audit Committees and the Stakeholders' Relationship committee across all public limited companies where I am acting as director.
- e. Further the details of Chairmanship / membership in various committees (Audit and Stakeholders Relationship Committee) of all public limited companies is as follows:-

Sr. No.	Name of Company	Name of Committee	Chairman / Member
1			
2			

Signature:

Name:

DIN:

Dated:

Place:

CODE FOR INDEPENDENT DIRECTORS

This is to inform you that in terms of Section 149(7) of Companies Act, 2013, it is mandatory for all Independent Directors to adhere with the Code of Conduct of the Company.

The said Code has been prescribed under Schedule IV of the Companies Act, 2013 and the same is reproduced hereinbelow for your perusal and ready reference:-

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of independent directors. Further, this code for Independent Directors is in addition to and not in substitution to any other codes of Board Members as may be adopted by the Board of Directors of the Company.

I. Guidelines of professional conduct:

As an Independent director of the Company, you shall:

- a. uphold ethical standards of integrity and probity;
- b. act objectively and constructively while exercising your duties;
- c. exercise your responsibilities in a bona fide manner in the interest of the Company;
- d. devote sufficient time and attention to your 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 as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- f. not abuse your 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 your independence;
- h. where circumstances arise which make you as an Independent Director lose your independence, you must immediately inform the Board accordingly;
- i. assist the Company in implementing the best corporate governance practices.

II. Role and functions:

As an Independent director of the Company, you 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 yourself 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 as a whole, in situations of conflict between management and shareholder's interest.

III. Duties:

As an Independent director of the Company, you 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 you are a member;
- d. participate constructively and actively in the committees of the Board in which you are a chairperson or a member;
- e. strive to attend the general meetings of the Company;
- f. ensure that your concerns about the running of the Company or a proposed action 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 yourself 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 behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
- l. acting within your 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.

IV. 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 so as 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:
 - i. the term of appointment;
 - ii. 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;
 - iii. the fiduciary duties that come with such an appointment along with accompanying liabilities;
 - iv. provision for Directors and Officers (D and O) insurance, if any;
 - v. the Code of Business Ethics that the company expects its directors and employees to follow;
 - vi. the list of actions that a director should not do while functioning as such in the company; and
 - vii. 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.

V. Re-appointment:

The re-appointment of independent director shall be on the basis of report of performance evaluation.

VI. 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 a period of not more than one hundred and eighty days from the date of such resignation or removal, as the case may be.
- c. Where the company fulfils 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.

VII. Separate meetings:

- a. The independent directors of the company shall hold at least one meeting in a 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:
 - i. review the performance of non-independent directors and the Board as a whole;
 - ii. review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
 - iii. 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.

VIII. Evaluation mechanism:

- a. The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.
- b. On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

Date: October 1, 2014

To,

Dear **Mr. Maheshkumar Thakkar**

On behalf of all the Board members of Amrapali Industries Limited, I would like to express my gratitude to you for providing your services as an Independent Board Member. Your contributions have been significant and the company has gained immensely emanating from your vast experience and expertise.

The purpose of this letter is to inform you about the new provisions related to the Independent Director (ID) introduced under the new Company law i.e. Companies Act, 2013. The Act, 2013 has specifically defined the roles, duties, liabilities and the manner of appointment of IDs on the Board and various Committees of the Company. The newly enacted Companies Act 2013 requires that a Company should issue appointment letter to all its Independent Directors.

You have already been a member of the Board since last five years. However, in fulfillment of the requirements of the revised law, the Members of the Company, in their 26th Annual General Meeting held on September 30, 2014, have appointed you as an Independent Director of the Company to hold office for a term up to September, 2019 and based on approval of the Members, we are pleased to issue this formal appointment letter to you. This letter will set out the terms of your appointment and your roles, duties, responsibilities and liability as an Independent Director on the Board of the Company.

Kindly return the duplicate copy of this letter, and the terms of Appointment enclosed herewith, duly signed by you in confirmation.

We look forward to your continued support and guidance.

Thanking You,

Yours sincerely,

For, Amrapali Industries Limited

Yashwant Thakkar

Managing Director

DIN: 00071126

Encl: As above

TERMS OF APPOINTMENT OF INDEPENDENT DIRECTOR

On behalf of the Company, I write to confirm your appointment as an Independent Non-Executive Director of the Company, as per the provision of the Companies Act, 2013 to hold office for a term up to September, 2019. I set out below the terms of your appointment:

1. TERM OF OFFICE

Your appointment is subject to the provisions of Companies Act, 2013 regarding appointment, fees, expensed, retirement, disqualification and removal of director. You may cease to hold office as a Director: You shall not be liable to retire by rotation as per the relevant provisions of the Companies Act, 2013.

At any time that you resign by written notice, it is desirable that you give the Chairman reasonable forewarning of your intention to resign or to not seek re-appointment where that is possible so that the company can plan for succession of skills and experience on the Board; and you may be required to vacate office for any reason pursuant to any of the provisions of the Companies Act, 2013; or

You may be removed as a director or otherwise required to vacate office under any applicable law and under the Article of Association of the Company.

Your performance as an Independent Director will be reviewed during your tenure with the Company in accordance with processes agreed by the Board from time to time. You agree to participate in such reviews.

2. COMMITMENTS

A) Independent Director

You will be expected to devote such time as is necessary for the proper performance of your duties and as an independent Director you will be involved in a number of board and committee meetings each year. You should strive to attend all the scheduled board meetings, General Meetings; Committees board Meetings and other meetings or attendance as necessary.

As an independent director you should strive to hold and present in at least one meeting in a year without the presence of non-independent directors and members of management with the sole objective of:

- a) review the performance of non-independent directors and the Board as a whole;
- b) review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors,
- c) 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.

By accepting this appointment, you have confirmed that you are able to allocate sufficient time to meet the expectations of your role.

B) The Company

- a) The Company shall provide you with adequate notice of the dates of proposed board meeting, general meetings, and meetings of board committees. As per the provision of the Companies Act, 2013 the company is expected to give you an advance notice of minimum 7 days of every board and committee meetings. A meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that at least one independent director, shall be present at the meeting and in case of absence of independent directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one independent director. The notice of the Board/Committee meetings will be provided along with the agenda of the Board/Committee meetings.
- b) Company shall inform the directors about any upcoming events in the company.
- c) Company shall ensure that director is updated about latest happening in the industry and in the field of law applicable on the company by allowing them to visit the seminars held in these respect
- d) It shall be the responsibility of the Company to provide the independent director with all the information and documents they validly require to fulfill their functions.
- e) The company shall ensure that the independent directors are aware of their statutory obligations.

3. CODE OF CONDUCT, FUNCTIONS AND DUTIES

You will be expected to perform your duties, whether statutory, fiduciary or common law, faithfully, efficiently and diligently to a standard commensurate with both the functions of your role and your knowledge, skills and experience. You will have all the usual duties of an independent director under Company law including attendance at board meetings, the annual general meeting, meetings of independent directors, meetings with investors and shareholders and other Board events together with such additional duties as may be agreed with the Board, and which may relate to the business of the Company or any other member of the Group. You will be required to serve on such committees as the Board may request, including but not limited to Audit, and/or Nomination and remuneration and/or Stakeholders' Grievances & Relationship Committee. In addition, you will be expected to devote appropriate preparation and travel time ahead of each meeting.

As a Director of the Company, you will have legal duties and obligations under Companies Act 2013. It is expected that you will familiarize yourself with the relevant Directors' Duties, roles and responsibilities as set out in **Annexure-I**.

4. LIABILITY

As an independent director you will be liable only in respect of such acts of omission or commission by a company which had occurred with your knowledge, attributable through Board processes, and with your consent or connivance or where you had not acted diligently.

5. CONFLICT OF INTEREST

By accepting this appointment you will be deemed to have confirmed that any other position you hold including your directorships in other organizations, shall not give rise to any conflicts of interest in relation to your appointment as an Independent Director of the Company. If you become aware of any conflict or potential conflict during your appointment, you are expected to notify the Company Secretary.

As an Independent Director you shall not engage in any activity/ies that is not expected from you as an Independent Director.

6. DISCLOSURES

You shall be required to submit certain information in the prescribed forms on a defined periodicity. Company Secretary shall be the coordinating officer for this. You are required to disclose to the Company your interests and any matters (excluding those matters which may be subject to legal professional privilege) which affect your independence.

During your tenure as an independent director you are required to give a declaration that you meet the criteria of independent every financial year as provided under Section 149 of the Companies Act, 2013. Format of disclosure is enclosed in **Annexure - II**.

7. REVIEW

The performance of individual directors, the whole Board and its committees is evaluated annually. If, in the interim, there are any matters which cause you concern about your role, you should discuss them with the Managing Director or the senior independent director as soon as you can.

8. CODE FOR INDEPENDENT DIRECTORS

You are required to abide by the Code for independent Directors as issued by the Company. **(Attached as an Annexure-III)**

9. INDUCTION & TRAINING

Where possible, directors will be encouraged to attend special training courses by various professional bodies to ensure that the directors are refreshed and equipped to perform their role in the highest standards and performance possible. You should feel free to request any further information which you require, at any time.

10.CONFIDENTIALITY AND ACCESS TO COMPANY RECORDS

Under Company law, Directors have a right of access to Company's documents and records, including financial records.

Any confidential information which may come to your knowledge in the performance of your duties as a director of the Company must not be divulged, except so far as:

- A. may be necessary in connection with the proper performance of your duties to the Company;
- B. the Company may from time to time authorise you to disclose such information as may be required by you with the condition that you will take all reasonable precautions as may be necessary to maintain the secrecy and confidentiality of all confidential information of the Company; or
- C. You may be required by law to disclose.

11.APPLICABLE LAW

This letter of appointment shall be governed by the laws of India.

Kindly confirm your agreement to the terms set out above by signing the endorsement on the enclosed copy of this. Please return the copy to us at the address of Company. In returning this letter duly signed, you agree that the Company may make this letter publicly available.

Yours sincerely

For, Amrapali Industries Limited

Yashwant Thakkar

Managing Director

DIN: 00071126

I have read and agree to the above terms regarding my appointment as an independent non-executive Director.

Signature:

Name : Maheshkumar Thakkar

DIN : 01976844

Date :

Place : Ahmedabad

POWER, DUTIES & RESPONSIBILITY OF INDEPENDENT DIRECTOR

A. PROFESSIONAL CONDUCT

As an Independent director of the Company, you shall:

- a. uphold ethical standards of integrity and probity;
- b. act objectively and constructively while exercising your duties;
- c. exercise your responsibilities in a bona fide manner in the interest of the Company;
- d. devote sufficient time and attention to your 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 as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- f. not abuse your 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 your independence;
- h. where circumstances arise which make you as an Independent Director lose your independence, you must immediately inform the Board accordingly;
- i. assist the Company in implementing the best corporate governance practices

B. ROLE AND FUNCTIONS

As an Independent director of the Company, you 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 yourself 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 as a whole, in situations of conflict between management and shareholder's interest.

C. DUTIES

As an Independent director of the Company, you 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 you are a member;
- d. participate constructively and actively in the committees of the Board in which you are a chairperson or a member;
- e. strive to attend the general meetings of the Company;
- f. ensure that your concerns about the running of the Company or a proposed action 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 yourself 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 behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
- l. acting within your 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.

DECLARATION BY INDEPENDENT DIRECTOR

"I _____, holding DIN _____ with respect to the position of Independent Director of Amrapali Industries Limited, hereby confirm that:-

- a. I do not hold designation of Managing Director or a Whole-time Director or a Nominee Director in the Company or its holding, subsidiary or associate company;
- b. I possess relevant expertise and experience as required for the designation;
- c. I possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, administration, research and corporate governance related to the company's business;
- d. I am not the nominee of any financial institution or of the Government or any of any other person, to represent their interest on the Board;
- e. I am or was not promoter of the company or its holding, subsidiary or associate company and also not related to the promoters or directors in the company, its holding, subsidiary or associate company;
- f. I do not have or have had any pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year, apart from receiving Directors remuneration from the company u/s 149(9) of the Companies Act, 2013;
- g. None of my relative has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or fifty lakh rupees, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- h. Neither I nor any of my relative hold or has held the position of key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the current financial year;
- i. Neither I nor any of my relative is or has been an employee or proprietor or a partner in any of the three financial years immediately preceding the current financial year:
 - a. In a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company,
 - b. In any legal or a consulting firm that has or had any transaction

with the company, its holding co, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm,

- j. I or any of my relative do not hold together with my relatives 2% or more of the total voting power of the company.
- k. I or any of my relative is not a material supplier, service provider or customer or a lessor or lessee of the company.
- l. Neither I or nor any of my relatives is a Chief Executive Officer (CEO) by whatever name called, of any nonprofit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company.
- m. I am not disqualified to act as an Independent Director under any provision of Companies Act, 2013 and rules made there under, or any other law for the time being in force in India or under Listing Agreement of the Stock Exchanges.

I further confirm that:-

- a. I do not hold the position of Independent Director in more than 7 listed companies;
- b. I am not holding the position of Whole-time Director in any listed company and serving as an Independent Director not more than in 3 listed companies at the same time;
- c. I am not the member in more than ten committees of Audit Committee and the Stakeholders' Relationship Committee across all public limited companies where I am acting as director.
- d. I am not Chairman in more than five Audit Committees and the Stakeholders' Relationship committee across all public limited companies where I am acting as director.
- e. Further the details of Chairmanship / membership in various committees (Audit and Stakeholders Relationship Committee) of all public limited companies is as follows:-

Sr. No.	Name of Company	Name of Committee	Chairman / Member
1			
2			

Signature:

Name:

DIN:

Dated:

Place:

CODE FOR INDEPENDENT DIRECTORS

This is to inform you that in terms of Section 149(7) of Companies Act, 2013, it is mandatory for all Independent Directors to adhere with the Code of Conduct of the Company.

The said Code has been prescribed under Schedule IV of the Companies Act, 2013 and the same is reproduced hereinbelow for your perusal and ready reference:-

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of independent directors. Further, this code for Independent Directors is in addition to and not in substitution to any other codes of Board Members as may be adopted by the Board of Directors of the Company.

I. Guidelines of professional conduct:

As an Independent director of the Company, you shall:

- a. uphold ethical standards of integrity and probity;
- b. act objectively and constructively while exercising your duties;
- c. exercise your responsibilities in a bona fide manner in the interest of the Company;
- d. devote sufficient time and attention to your 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 as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- f. not abuse your 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 your independence;
- h. where circumstances arise which make you as an Independent Director lose your independence, you must immediately inform the Board accordingly;
- i. assist the Company in implementing the best corporate governance practices.

II. Role and functions:

As an Independent director of the Company, you 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 yourself 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 as a whole, in situations of conflict between management and shareholder's interest.

III. Duties:

As an Independent director of the Company, you 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 you are a member;
- d. participate constructively and actively in the committees of the Board in which you are a chairperson or a member;
- e. strive to attend the general meetings of the Company;
- f. ensure that your concerns about the running of the Company or a proposed action 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 yourself 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 behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
- l. acting within your 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.

IV. 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 so as 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:
 - i. the term of appointment;
 - ii. 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;
 - iii. the fiduciary duties that come with such an appointment along with accompanying liabilities;
 - iv. provision for Directors and Officers (D and O) insurance, if any;
 - v. the Code of Business Ethics that the company expects its directors and employees to follow;
 - vi. the list of actions that a director should not do while functioning as such in the company; and
 - vii. 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.

V. Re-appointment:

The re-appointment of independent director shall be on the basis of report of performance evaluation.

VI. 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 a period of not more than one hundred and eighty days from the date of such resignation or removal, as the case may be.
- c. Where the company fulfils 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.

VII. Separate meetings:

- a. The independent directors of the company shall hold at least one meeting in a 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:
 - i. review the performance of non-independent directors and the Board as a whole;
 - ii. review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
 - iii. 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.

VIII. Evaluation mechanism:

- a. The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.
- b. On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.