BARODA EXTRUSION LTD.

where copper takes shape

TERMS AND CONDITIONS FOR APPOINTMENT OF INDEPENDENT DIRECTORS

The material terms and conditions for appointment of Independent Directors of the Company and Specimen letter of appointment

It is our pleasure to inform you of your appointment as an Independent Director (under the category of Non-Executive Independent Director) by the Board of Directors (the Board) of Baroda Extrusion Limited ("the company" or "BEL") based on your confirmation and consent letter to act as an Independent Director, we hereby confirm that you meet the criteria of "independence" as mentioned under Section 149(6) and Schedule IV of the Companies Act, 2013 ("2013 Act") along with the Rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR")as amended from time to time. This letter of appointment sets out the terms and conditions covering your appointment which are as follows:

1. Appointment

I. Your appointment as an Independent Director of the company has been approved by the Board of Directors.

II. Based on the recommendation of the Board of Directors, your appointment as Independent Director is approved in the General Meeting by the members of the Company and you shall hold the office for a term of five years and shall not liable to retire by rotation.

III. Your appointment is also subject to the maximum permissible Directorships that one can hold as per the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015 ("SEBI LODR") as amended from time to time.

IV. The term 'Independent Director' should be construed as defined under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") as amended from time to time.

V. The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013. Accordingly, the Independent Directors will serve for not more than two terms of five years each on the Board of the Company.

VI. You are considered to be an Independent Director and will be identified as such in the Annual Report and other documentations of the Company. If circumstances change, and you believe that your independence may be in doubt or may be in question, you should bring this matter to urgent attention of the Board as soon as possible.

2. Committees

The Board of Directors may, if it deems fit, invite you for being appointed on one or more existing Board Committees or any such Committee that may be set up in the future. Your appointment on such Committee(s) will be subject to the applicable regulations.

3. Time Commitment

I. As a Non-Executive Director, you are expected to bring objectivity and independence of view to the Board's discussions and to help provide the Board with effective leadership in relation to the Company's strategy, performance, and risk management as well as ensuring high standards of financial probity and corporate governance. The Board meets at least four times in a year. The Audit Committee also meets at least four times in a year. Besides, there are other Committee meetings like Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee meetings which are convened as per the requirements.

II. You will be expected to attend meetings of the Board of Directors, meetings of Committees to which you may be appointed and Shareholders' meetings and to devote such time to your duties, as appropriate for you to discharge your duties effectively. Ordinarily, all meetings are held at registered office of the company situated at Survey No.:65-66, Jarod-Samalaya Road, Vill.: Garadhiya, Tal.: Savli, Vadodara - 391520.

III. By accepting this appointment, you confirm that you are able to allocate sufficient time to meet the expectations of your role as an Independent Director to the satisfaction of the Board.

4. Role and Duties

Your role and duties will be those normally required of a Non-Executive Independent Director and Schedule IV of the Companies Act, 2013. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and are as under:

I. You shall act in accordance with the Company's Articles of Association.

II. 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.

III. You shall discharge your duties with due and reasonable care, skill and diligence.

IV. 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. Please refer to clause 7 for full explanation on conflict of interest.

V. You shall not achieve or attempt to achieve any undue gain or advantage either to yourself for to your relatives, partners or associates.

VI. You shall not assign your office as Director and any assignment so made shall be void.

VII. You shall abide by the 'Code of Independent Director' as outlined in Schedule IV to Section 149(8) of the Companies Act, 2013 and duties of Directors as provided in the Companies Act, 2013 (including Section 166) and Clause 49 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR").

VIII. You will also be responsible for providing guidance in the area of your expertise.

There are certain roles, functions and duties prescribed for all Independent Directors, which are listed in the 'Code for Independent Directors' as outlined in Schedule IV to the Companies Act, 2013. You shall abide by the said 'Code of Conduct for Independent Directors' as amended from time to time to the extent relevant and applicable to your role. The present code is annexed hereto as Annexure A.

In addition to the above requirements applicable to all Directors, the role of the Non- Executive Director has the following key elements:

Strategy: Non-Executive Directors should constructively contribute and help to develop proposals on strategy;

Performance: Non-Executive Directors should scrutinise the performance of management in meeting agreed goals and objectives;

Risk: Non-Executive Directors should satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are robust and defensible;

People: Non-Executive Directors are responsible for determining appropriate levels of remuneration of Executive Directors and have a prime role in appointing, and where necessary, removing Executive Directors and in succession planning;

Reporting: Non-Executive Directors take responsibility for the processes for accurately reporting on performance and the financial position of **Baroda Extrusion Limited;** and

Compliance: Non-Executive Directors should keep governance and compliance with the applicable legislation and regulations under review and the conformity of **Baroda Extrusion Limited** practices to accepted norms.

5. Status of Appointment

I. This letter shall not constitute a contract of employment. You will be paid remuneration by way of sitting fees for meetings of the Board and its Committees as may be decided by the Board and approved by the Shareholders from time to time. Further, you may also be paid remuneration by way of commission as may be recommended by the Board of Directors of the Company, within the overall ceiling limits approved by the Shareholders from time to time.

II. The sitting fees presently paid to the Non-Executive Independent Director is Rs. 5,000/-per meeting of the Committee and meeting of the Board.

6. Reimbursement of Expenses

In addition to the remuneration described in paragraph 5, the Company will during the period of your appointment, reimburse you for travel, hotel and other incidental expenses that may be incurred by you in the performance of your role and duties.

7. Conflict of Interest

I. It is accepted and acknowledged that you may have business interests other than those of the Company. As a condition to your appointment, 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 and from time to time in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder.

II. 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 judgement that you are independent, this should be disclosed to both the Chairman and the Secretary.

8. Confidentiality

All information acquired during your appointment is confidential to "BEL" and should not be released, either during your appointment or following termination (by whatever means) to third parties without prior clearance from the Chairman unless required by law or by the rules of any stock exchange or regulatory body. On reasonable request, you shall surrender any documents and other materials made available to you by "BEL".

Your attention is also drawn to the requirements under the applicable regulations and the "BEL" Code of Conduct relating to the Prohibition of the Insider Trading of the securities of "BEL". Consequently, you are prohibited in disclosing of any unpublished price sensitive information of "BEL" and /or dealing in the securities of "BEL", while in possession of the unpublished price sensitive information of "BEL". You shall not buy, sell or deal in the securities of "BEL" without the requisite prior clearance from the Company Secretary of "BEL" and in accordance with the Code of Conduct relating to the Prohibition of the Insider Trading of the securities of "BEL".

9. Evaluation

The Company has adopted a policy on Board Evaluation. The policy provides for evaluation of the Board, the Committees of the Board and individual Directors, including the Chairman of the Board. As per the Policy, the Company will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors on an annual basis. Your appointment and Re-appointment on the Board shall be subject to the outcome of the yearly evaluation process.

10. Insurance

"BEL" will take Directors' and Officers' liability insurance and it is intended that "BEL" will assume and maintain such cover for the full term of your appointment.

11. Independent Professional Advice

There may be occasions when the Committee of Directors considers that it needs professional advice in furtherance of your duties as a Director and it will be appropriate to consult independent advisers at the Company's expense and the Company will reimburse the cost of expenditure incurred if any, in accordance with the Company's policy.

12. Disclosure of Interest

You are required to disclose your 'concern or interest' in any company or companies or bodes corporate, firms, or other Association of Individuals, which shall include the shareholding in such manner in accordance with the Companies Act, 2013, the Rules made there under and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR").

13. Termination

a. 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 on the Board and also inform the Registrar of Companies in prescribed form.

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

c. Your appointment may also be terminated in accordance with the provisions of Companies Act, 2013 and rules made there under and the Articles of Association of the Company from time to time in force.

14. Governing Law

This appointment is governed by and will be interpreted in accordance with the Indian laws and subject to the jurisdiction of Vadodara, Gujarat.

Yours sincerely,
For Baroda Extrusion Limited

Alpesh Kanugo
Managing Director
(DIN: 02501280)

Annexure: A
Schedule IV of Companies Act, 2013 [See section 149(8)]

CODE FOR INDEPENDENT DIRECTORS:

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.

I. 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; and

9) assist the company in implementing the best corporate governance practices.

II. Role 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; and

8) Moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

III. **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; strive to attend the general meetings of the company;

5) 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;

6) keep themselves well informed about the company and the external

environment in which it operates;

7) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;

8) 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;

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 behaviour, 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.

IV. 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.

V. **Re-appointment:**

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

VI. **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 three months 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.

VII. **Separate meetings:**

1) 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;

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.

VIII. **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. Signed _
Dated _____

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