

FORMAT OF LETTER OF APPOINTMENT OF INDEPENDENT DIRECTOR

Ref: BAL:AGM:13:14/

Date:

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Dear Shri

We are pleased to inform you that upon the recommendation of Nomination and Remuneration Committee, approval of the Board of Directors of **Bhoruka Aluminium Limited** (hereinafter referred to the Company) incorporated under the Companies Act, 1956 and approval of Shareholders of the Company at the Annual General Meeting held on **30th September, 2014**, you are being appointed as an Independent Director on the Board of the Company.

The terms of your appointment shall be as follows :

Appointment

You have been appointed as a Non-Executive Independent Director on the Board of Directors of Bhoruka Aluminium Limited (BAL) to hold office for five consecutive years, with effect from **30th September, 2014 upto 29th September, 2019**. Your appointment shall be governed by the provisions of the Companies Act, 2013 and the Listing Agreement entered into with the Bombay Stock Exchange Limited (BSE) 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 Listing Agreement.

Term of Independent Director

The term 'Independent Director' should be construed as defined under the Companies Act, 2013 and the Listing Agreement.

Provisions with respect to appointment

The Company has adopted the provisions with respect to the appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013 and the Listing Agreement. Accordingly, the Independent Directors will serve for not more than two terms of five years each on the Board of the Company. The disengagement earlier than five years will be in accordance with the provisions of the Companies Act, 2013 or on mutually agreed terms. The provisions contained in the Companies Act, 2013 and the Listing Agreement will apply as regards performance evaluation of Independent Directors is concerned. The performance of Independent Directors shall be evaluated by the entire Board of Directors, excluding the Director being evaluated. On the basis of the report of

performance evaluation, it shall be determined whether to extend or continue the term of your appointment as an Independent Director.

Committees

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

Discharge of Duties

As an Independent Director, you are expected to bring objectivity and independence of view to the Board's discussions and is required to help to provide the Board with effective leadership in relation to the Company's Philosophy, Strategy, Performance and Risk Management as well as ensuring high standards of financial probity and corporate governance.

The Board will meet atleast 5-6 times in a year. The Audit Committee will also meet atleast 4-5 times in a year. Besides there are other Committee meetings like Nomination and Remuneration Committee, Stakeholders Relationship Committee which will be ordinarily be convened twice in a year. All the meetings usually will be held at the Registered Office of the Company at Mysore until such place as may be decided by the Board. You are expected to attend Board, Board Committees of which you are a member or 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.

Acceptance of Appointment

By accepting this appointment, you are confirming that you will be able to allocate sufficient time to meet the expectations from your role and responsibility to the satisfaction of the Board.

Status of Appointment

As an Independent Director, you will not be an employee of the Company and this letter of appointment shall not constitute a Contract of Employment. You will be paid such remuneration by way of Sitting Fees for attending the meetings of the Board and Committees as may be decided by the Board.

Reimbursement of Expenses

In addition to the sitting fees, you will be reimbursed towards travel, hotel and other incidental expenses incurred by you for attending the meetings of the Board and Committees.

Role, Duties and Responsibilities

As a member of the Board you along with the other Directors will be collectively responsible for meeting the objectives of the Board which include:

- Requirement under the Companies Act, 2013 as amended from time to time;
- Responsibility of the Board as outlined in the Corporate Governance requirements as prescribed by Stock Exchange under Clause 49 of the Listing Agreement;
- Accountability under the Directors' Responsibility Statement
- Overseeing the maintenance of high standards of Bhorka values and ethical conduct of business;

Code of Conduct for Independent Director

You shall abide by the 'Code for Independent Directors' as stipulated in Schedule IV to Section 149(8) of the Companies Act, 2013, and duties of Directors as provided in the Act 2013 including Section 166 and in Clause 49 of the Listing Agreement.

For your convenience of reference, the relevant provisions have been extracted and attached to this Letter of Appointment as Annexure.

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

Conflict of Interest

Non-Executive Independent Directors of a Company will always act in the interest of the Company and ensure that any other business or personal association which they may have, does not involve any potential conflict of interest with the operations of the Company and his role therein;

Non-Executive Independent Directors will comply with all applicable laws and regulations of all the relevant regulatory and other authorities as may be applicable to such Directors in their individual capacities.

Non-Executive Independent Directors will safeguard the confidentiality of all information received by them by virtue of their position. Unless, otherwise, specifically authorised by the Company, you shall not disclose company and business information to public authorities such as the media, the financial community, employees, shareholders, agents, vendors etc.

Code of Conduct on prevention of Insider Trading

The Company also would like to draw your kind attention to the applicability of both, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and the Bhorka Code of Conduct on Prevention of Insider Trading Policy, prohibiting disclosure or use of unpublished price sensitive information.

You shall not participate in any business activity which might obstruct the application of your independent judgement in the best interest of the Company.

Induction and Development

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

- ◆ Board roles and responsibilities to build working relationship among the Board Members;
- ◆ Company's vision, strategic direction, core values, ethics and corporate governance practices;
- ◆ Familiarisation with financial matters, management team and business operations;
- ◆ Meetings with stakeholders and visits to business locations

Performance Appraisal / Evaluation Process

As a member of the Board, your performance as well as the performance of the entire Board and its Committees shall be evaluated annually. Evaluation of each director, shall be done by all the other directors. The criteria for evaluation shall be determined by the Nomination and Remuneration Committee and disclosed in the Company's Annual Report. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board / Committee. An indicative list of factors that may be evaluated as part of process is -

- ⤴ Participation and contribution by a director
- ⤴ Commitment(including guidance provided to senior management outside of Board/Committee meetings)
- ⤴ Effective deployment of knowledge and expertise
- ⤴ Effective management of relationship with stakeholders
- ⤴ Integrity and maintenance of confidentiality
- ⤴ Independence of behaviour and judgement and
- ⤴ Impact and Influence

Disclosures

During your tenure, you agree promptly to notify the Company of any change in your directorships and provide such other disclosures and information as may be required under the applicable laws. You will also agree that upon becoming aware of any potential conflict of interest with your position as an Independent Director of the Company, you shall promptly disclose the same to the Chairman and the Compliance Officer.

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

Termination

Your directorship on the Board of the Company shall be terminated or ceased in accordance with the law. Apart from the grounds of termination as specified in the Companies Act, 2013, your directorship may be terminated for violation of any provision of the "Bhoruka Code of Conduct" as applicable to Non-Executive Directors.

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

If at any stage during the tenure, there is a change that may affect your status as an Independent Director as envisaged in Section 149(6) of the Companies Act,2013 or if applicable, you fail to meet the criteria for "Independence" under the provisions of Clause 49 of the Listing Agreement, you agree to promptly submit your resignation to the Company with effect from the date of change.

Cooperation

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

Governing Law

This agreement is governed by and will be interpreted in accordance with Indian Law and your engagement shall be subject to the jurisdiction of the Indian courts.

If you are willing to accept these terms of appointment relating to your appointment as 'Non-Executive Independent Director' of Bhoruka Aluminium Limited (BAL), please confirm your acceptance of these terms by signing and returning to the enclosed copy of this letter.

Yours sincerely,

Chairman & Managing Director
For and on behalf of Bhoruka Aluminium Limited

I hereby acknowledge receipt of the LOA and accept the terms set out therein.

Signed.....

Date:

This is a model letter of appointment and is subject to modification / amendment

ANNEXURE

SCHEDULE IV (of the Companies Act, 2013)

CODE FOR INDEPENDENT DIRECTORS

The Code is 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:

1. Uphold ethical standards of integrity and probity;
2. Act objectively and constructively while exercising his duties;
3. Exercise his responsibilities in a bonafide 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;
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;

II. Role and Functions

The Independent Directors shall:

1. Help in bringing an independent judgement 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. Scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting 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 of 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.

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 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 chairperson or members;
5. Strive to attend the General Meeting 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 behaviour, actual or suspected fraud or violation of the company's code of conduct;
12. Acting within their authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
13. Not to 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.