

CODE OF CONDUCT FOR INDEPENDENT DIRECTORS

GENERAL PROVISIONS

This Code is a professional conduct guideline for Independent Directors on the Board of Directors of the Company. Adherence to these standards by Independent Directors and fulfillment of their responsibilities in a professional and faithful manner will promote confidence of various stakeholders including the investment community, particularly minority shareholders and regulators.

Implementation of best Corporate Governance practices by Independent Directors enhance the Company's governance and management efficiency, improves image and contributes to the overall growth of the Company's shareholders value.

This Code is for specific use of the Company and its Independent Directors.

This Code takes into account the Principles of Corporate Governance and other Corporate Governance practices. The Code takes into account the specific legal compliance for the Independent Directors of Companies, as per the Act and also applicable laws and rules.

This Code is a live document intended to be improved and amended based on the best practices and evolving practices on Independent Directors in due course.

Subject to the requirements of applicable laws, compliance with this code is compulsory for all Independent Directors on the Board of Directors of the Company.

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 practice;

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 the board and management;
- (3) scrutinise 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 ,Managerial Personnel and Senior Management

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 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 or ethics policy;
- (12) acting within his authority, assist in protecting the legitimate interests of 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 the 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 Directors 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 fulfils the conditions specified in the Act and the rules made there under and that the proposed Director is independent of the management.
- (4) The appointment of Independent Directors shall be formalised 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;

- 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 performance evaluation conducted by the Nomination and Remuneration Committee of the Board and the Board itself.

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 180 days from the date of such resignation or removal, as the case may be.
- (3) 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.

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 the 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 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.

(On the letterhead of the Company)

LETTER OF APPOINTMENT

To
Mr.

Dear Sir,

We are pleased to inform you that the Board of Directors of the Company in its meeting held on _____ has appointed you as a Non-executive **Independent Director** of the Company w.e.f. _____.

The terms and conditions of your appointment are as follows:

1. Appointment

You have been appointed for a consecutive period of 5 (five years) till 31st March, 2019. Your appointment as a Non-Executive Independent Director on the Board of Directors of the Company is subject to shareholders' approval in the general meeting. You will not be liable to retire by rotation.

2. Committees

2.1 You have been appointed as the Chairman / Member in the following Committees of the Board of the Company as mentioned below:

<u>Name of Committees</u>		<u>Designation</u>
Audit Committee	-	Member
Nomination and Remuneration Committee-		Member
Stakeholder's Relationship Committee	-	Chairman
Share Transfer Committee	-	Member
Share Allotment Committee	-	Member

2.2 Further, the Board, as and when required, may invite you for being appointed on one or more existing Board Committees or any such Committee as may be constituted during the tenure of your appointment. Your appointment on such Committee(s) would be subject to the applicable provisions & regulations.

(On the letterhead of the Company)

3. Expectations

- 3.1 As a Non-Executive Director you are expected to bring objectivity and independence of view to the Board's discussions and to help 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 integrity and corporate governance.
- 3.2 You are expected to attend the Board and its Committees meetings in which you are appointed and Shareholders meetings, as may be required to devote your time to such duties, as appropriate for you to discharge the same effectively.
- 3.3 You should strive to be present at the separate meeting of the Independent Directors to be held atleast once in every financial year, without the presence of Non-Independent Directors and members of the Management, to carry out the agendas as prescribed under Schedule IV of the Companies Act, 2013 and the listing agreement.

4. Roles, Functions and Duties

Your roles and duties will be those as prescribed for Non-Executive Independent Director under Schedule IV of the Companies Act, 2013 and the listing agreement. Certain duties which are fiduciary in nature shall include but not limited to the following:

- I. You should act in accordance with the Company's Articles of Association.
- II. You should 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 should undertake appropriate induction and regularly update and keep yourself well informed with the Company and the external environment in which it operates.
- IV. You should discharge your duties with due and reasonable care, skill and diligence.
- V. You should neither be engaged in, nor do any act in which you may have a direct or indirect interest that may possibly conflict with the interest of the Company and/or which is in contrary with the status of being an Independent Director of the Company. (Please refer to clause 7 for full explanation on conflict of interest).
- VI. You should not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.
- VII. You should not assign your office as Director and if any such assignments if so made shall be considered as void.
- VIII. You should ascertain and ensure that the Company has an adequate and functional Vigil Mechanism (Whistle Blower Policy).
- IX. You should pay attention in safeguarding the interests of all the stakeholders, particularly the minority shareholders and balance the conflicting interest of the Stakeholders.
- X. You should assist the Company in implementing the best Corporate Governance practices.

(On the letterhead of the Company)

In addition to the above requirements applicable to all Independent Directors, your role should involve the following key elements:

Independent Judgement: You should 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 standard of conduct.

Performance: You should help in evaluating and scrutinizing the performance of the Board and the management in the meetings, as per agreed goals and objectives;

Risk: You should satisfy yourself on the integrity of the financial information and controls and systems of risk management be robust and defensible;

People: You, along with other Non-Executive Independent Directors are responsible for determining appropriate levels of remuneration of Executive Directors, Key Managerial Personnel and other Senior Management personnel and should have a prime role in appointing and wherever necessary should recommend the removal of the Executive Directors, Key Managerial Personnel and other Senior Management personnel and also in succession planning;

Reporting: You should take the responsibility for the processes for accurately reporting on performance and the financial position of the Company.

Compliance: You should keep governance and compliance with the applicable legislation and regulations under review and in conformity of the Company's practice to the accepted norms.

5. Sitting Fees/Remuneration

You will not be an employee of the Company and this letter shall not constitute a contract of employment. You will be paid such remuneration by way of sitting fees only for meetings of the Board and its Committees as may be decided by the Board in terms of the applicable provisions of the Companies Act, 2013 and Rules made there under.

The Company may also pay the Remuneration under section 197 (1) of the Companies Act, 2013 subject to the approval of members in the General Meeting.

6. Reimbursement of Expenses

6.1 In addition to the remuneration as described in paragraph 5 as above, the Company will, during your continuation as a Director, reimburse you for travelling and accommodation and any other incidental expenses incurred by you for the performance of your roles and duties on actual basis.

(On the letterhead of the Company)

6.2 There may be occasions when you may consider necessary to obtain independent professional advice to discharge your duties as an Independent Director. The Company will reimburse the entire cost of expenditure incurred for the purpose in accordance with the Company's policy.

7. Disclosure of Interest

7.1 It is accepted and acknowledged that you may have business interests other than those of the Company. Therefore, as a condition to your present appointment as Independent Director of the Company, you are required to disclose your concern or interest in any such other Companies or Body Corporate, firms, or any other association of individuals which shall also include your shareholding/ interest in such Body Corporate / firms, to the Board in writing at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then at the first Board meeting held after such change, in the form as prescribed under the Companies Act, 2013.

7.2 In case that you are in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered or to be entered by the Company, you shall disclose the nature of such concern or interest in the meeting of the Board in which the contract or arrangement is discussed and shall not participate in that discussion. A general notice that you are interested in any contracts with a particular person, firm or company is acceptable.

7.3 In the circumstance that seems likely to change and might give rise to a conflict of interest which may lead the Board to judge your independency on Board. This should be disclosed to both the Board of Directors and the Company Secretary at the earliest but not later than the Meeting of the Board held after such change.

8. Insurance

The Company has not undertaken any insurance for Independent Director as of now. You will be informed as and when the Company decides for the same.

9. Confidentiality

All information acquired during your appointment is confidential to the Company and should not be disclosed, either during your appointment or subsequent to termination (by whatever means) to third parties without prior approval from the Board of Directors of the Company unless required by law or by the rules of any stock exchange or regulatory body. On reasonable request, you should surrender all documents and other materials made available to you by the Company.

(On the letterhead of the Company)

Your attention is also drawn to the requirements under the applicable regulations and the Company's prohibition of insider trading Code which concerns the disclosure of price sensitive information and dealing in the securities of the Company. Consequently you should avoid making any statements or performing any transactions that might risk a breach of these requirements without prior clearance from the Chairman or the Company Secretary.

10. Evaluation

The performance evaluation of independent directors shall be done by the entire Board of Directors of the Company, excluding the Director being evaluated. This evaluation process will be carried out on an annual basis. Your appointment and re-appointment on the Board shall be subject to the outcome of the yearly evaluation process.

11. Termination

- a. In case you wish to resign any time during your continuance as an Independent Director, it is desirable that you would to serve a reasonable written notice on the Board.
- b. Continuation of your appointment is contingent on you 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. Your appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company from time to time in force. You will not be entitled to compensation for the same in either case.

12. Governing Law

This appointment is governed by and will be interpreted in accordance with the Companies Act, 2013 and the Listing Agreement as may be amended from time to time.

You are requested to please accept these terms of appointment relating to your appointment as a non-executive Independent Director of the Company and kindly confirm your acceptance of these terms by signing and returning a copy to us, as enclosed with this letter.

Thanking You,

Sincerely Yours,

For Central Cables Limited

HR Manager

(On the letterhead of the Company)

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

Signature : _____

Name : _____

Date : _____