

TBP:BRD:10:421

14<sup>th</sup> August, 2014

Shri Russi Jal Taraporevala,  
Director,  
Standard Industries Limited,  
Mumbai.

Dear Sir,

Re : Your appointment as Independent Director of the Company

We are pleased to advise you that at the Annual General Meeting held on 14<sup>th</sup> August, 2014, Shareholders have approved your appointment as an Independent Director of the Company to hold office for five consecutive years from the conclusion of this Annual General Meeting.

**A. Preliminary**

Your appointment is subject to the following:

1. You will submit a declaration in the beginning of every financial year under section 149 (7) of the Act during your tenure stating that you meet the criteria of independence.
2. So long as you are independent director of the Company, the number of companies in which you hold office as a director or a chairman or committee member will not exceed the limit stipulated under the Act and the listing agreement.
3. So long as you are independent director of the Company, you will ensure that you do not get disqualified to act as a director pursuant to the provisions of section 164 of the Act.
4. You will ensure compliance with other provisions of the Act and the listing agreement as applicable to you as an independent director.

...2/-

**B. Term**

Your appointment is for a term of 5 years from the conclusion of this Annual General Meeting.

**C. Committees**

You have been appointed on the following committees of the Board :

- (a) Audit Committee.
- (b) Nomination and Remuneration Committee.
- (c) Stakeholders Relationship Committee.

**D. Code of Conduct and Duties and Responsibilities**

1. You will abide by the Company's Code of Conduct as set out separately in '**Annexure-1**'.
2. You will abide by the Guidelines of professional conduct, Role, Function and Duties as an independent director (as provided in Schedule IV of the Companies Act, 2013) set out at **Annexure-2** hereto.
3. You are expected to stay updated on how best to discharge your roles, responsibilities, and duties and liabilities, as an independent director of the Company under applicable law, including keeping abreast of current changes and trends in economic, political, social, financial, legal and corporate governance practices.
4. You are expected to:
  - (i) take decisions objectively and solely in the interests of the Company;
  - (ii) facilitate Company's adherence to high standards of ethics and corporate behaviour;
  - (iii) guide the Board in monitoring the effectiveness of the Company's governance practices and to recommend changes, required if any;

- (iv) guide the Board in monitoring and managing potential conflicts of interest of management, Board members and stakeholders, including misuse of corporate assets and abuse in related party transactions;
- (v) guide the Board in ensuring the integrity of the Company's accounting and financial reporting systems, including the independent audit and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.

**E. Performance Evaluation**

Your reappointment or extension of term and your remuneration will be recommended by the Committee to the Board, pursuant to a performance evaluation carried out by the Board.

**F. Remuneration**

1. Your annual remuneration will be as under:
  - (a) sitting fees for attending each meeting of the Board and its committees as may be determined by the Board from time to time, and
  - (b) commission, if any, that may be determined by the Board payable at the end of each financial year will be based on the performance of the Company and your performance evaluated by the Board of directors.
2. You will be entitled to reimbursement of expenses incurred by you in connection with attending the Board meetings, Board Committee meetings, general meetings and in relation to the business of the Company towards hotel accommodation, travelling and other out-of-pocket expenses.
3. Pursuant to applicable law, you will not be entitled to any stock options.

**G. Training**

You will be entitled to the benefit of a training program to familiarize you with the business and affairs of the Company, growth plans, the peculiarities of the industry in which the Company operates, its goals and expectations and long term plans and objectives.

**H. Miscellaneous**

You will have access to confidential information, whether or not the information is marked or designated as “confidential” or “proprietary”, relating to the Company and its business including legal, financial, technical, commercial, marketing and business related records, data, documents, reports, etc., client information, intellectual property rights (including trade secrets), (“**Confidential Information**”).

You shall use reasonable efforts to keep confidential and to not disclose to any third party, such Confidential Information.

If any Confidential Information is required to be disclosed by you in response to any summons or in connection with any litigation, or in order to comply with any applicable law, order, regulation or ruling, then any such disclosure should be, to the extent possible, with the prior consent of the Board.

Please confirm your acceptance by signing, dating, and returning a copy of this letter to the Company.

Yours faithfully,  
For STANDARD INDUSTRIES LIMITED,

Sd/-

(PRADEEP R. MAFATLAL)  
CHAIRMAN

Agreed and Accepted

Sd/-

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(RUSSI JAL TARAPOREVALA)

TBP:BRD:27:422

14<sup>th</sup> August, 2014

Shri M.L. Apte,  
Director,  
Standard Industries Limited,  
Mumbai.

Dear Sir,

Re : Your appointment as Independent Director of the Company

We are pleased to advise you that at the Annual General Meeting held on 14<sup>th</sup> August, 2014, Shareholders have approved your appointment as an Independent Director of the Company to hold office for five consecutive years from the conclusion of this Annual General Meeting.

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1. You will submit a declaration in the beginning of every financial year under section 149 (7) of the Act during your tenure stating that you meet the criteria of independence.
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  - (i) take decisions objectively and solely in the interests of the Company;
  - (ii) facilitate Company's adherence to high standards of ethics and corporate behaviour;
  - (iii) guide the Board in monitoring the effectiveness of the Company's governance practices and to recommend changes, required if any;

...3/-

- (iv) guide the Board in monitoring and managing potential conflicts of interest of management, Board members and stakeholders, including misuse of corporate assets and abuse in related party transactions;
- (v) guide the Board in ensuring the integrity of the Company's accounting and financial reporting systems, including the independent audit and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.

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You will be entitled to the benefit of a training program to familiarize you with the business and affairs of the Company, growth plans, the peculiarities of the industry in which the Company operates, its goals and expectations and long term plans and objectives.

**H. Miscellaneous**

You will have access to confidential information, whether or not the information is marked or designated as “confidential” or “proprietary”, relating to the Company and its business including legal, financial, technical, commercial, marketing and business related records, data, documents, reports, etc., client information, intellectual property rights (including trade secrets), (“**Confidential Information**”).

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Yours faithfully,  
For STANDARD INDUSTRIES LIMITED,

Sd/-

(PRADEEP R. MAFATLAL)  
CHAIRMAN

Agreed and Accepted

Sd/-

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(M.L. APTE)



TBP:BRD:41:423

14<sup>st</sup> August, 2014

Shri F.M. Pardiwalla,  
Director,  
Standard Industries Limited,  
Mumbai.

Dear Sir,

Re : Your appointment as Independent Director of the Company

We are pleased to advise you that at the Annual General Meeting held on 14<sup>th</sup> August, 2014, Shareholders have approved your appointment as an Independent Director of the Company to hold office for five consecutive years from the conclusion of this Annual General Meeting.

**A. Preliminary**

Your appointment is subject to the following:

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4. You will ensure compliance with other provisions of the Act and the listing agreement as applicable to you as an independent director.

...2/-

**B. Term**

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**C. Committees**

You have been appointed on the following committees of the Board :

- (a) Audit Committee.
- (b) Nomination and Remuneration Committee.
- (b) Stakeholders Relationship Committee.

**D. Code of Conduct and Duties and Responsibilities**

1. You will abide by the Company's Code of Conduct as set out separately in '**Annexure-1**'.
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**E. Performance Evaluation**

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1. Your annual remuneration will be as under:
  - (a) sitting fees for attending each meeting of the Board and its committees as may be determined by the Board from time to time, and
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**G. Training**

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**H. Miscellaneous**

You will have access to confidential information, whether or not the information is marked or designated as “confidential” or “proprietary”, relating to the Company and its business including legal, financial, technical, commercial, marketing and business related records, data, documents, reports, etc., client information, intellectual property rights (including trade secrets), (“**Confidential Information**”).

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Yours faithfully,  
For STANDARD INDUSTRIES LIMITED,

Sd/-

(PRADEEP R. MAFATLAL)  
CHAIRMAN

Agreed and Accepted

Sd/-

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(F.M. PARDIWALLA)

14<sup>th</sup> August, 2014

Shri Shobhan Diwanji,  
Director,  
Standard Industries Limited,  
Mumbai.

Dear Sir,

Re : Your appointment as Independent Director of the Company

We are pleased to advise you that at the Annual General Meeting held on 14<sup>th</sup> August, 2014, Shareholders have approved your appointment as an Independent Director of the Company to hold office for five consecutive years from the conclusion of this Annual General Meeting.

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...2/-

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**C. Committees**

You have been appointed on the following committee of the Board :

Nomination and Remuneration Committee.

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Please confirm your acceptance by signing, dating, and returning a copy of this letter to the Company.

Yours faithfully,  
For STANDARD INDUSTRIES LIMITED,

Sd/-

(PRADEEP R. MAFATLAL)  
CHAIRMAN

Agreed and Accepted

Sd/-

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(SHOBHAN DIWANJI)



**CODE OF CONDUCT APPLICABLE  
TO ALL THE DIRECTORS OF  
THE COMPANY AND MEMBERS  
OF SENIOR MANAGEMENT**

**(AS ADOPTED BY THE BOARD  
OF DIRECTORS OF STANDARD  
INDUSTRIES LIMITED AT ITS MEETING  
HELD ON 16<sup>TH</sup> DECEMBER, 2005).**

**(Already uploaded on the Company's Website  
under 'Our Group > Code of Conduct')**

# STANDARD INDUSTRIES LIMITED

## Annexure 2

### **Guidelines of professional conduct, Role, Function and Duties as an Independent Director (As provided in Schedule IV of the Companies Act)**

#### **Guidelines of Professional conduct:**

An Independent Director shall :

2. uphold ethical standards of integrity and probity;
3. act objectively and constructively while exercising his duties;
4. exercise his responsibilities in a bona fide manner in the interest of the Company;
5. devote sufficient time and attention to his professional obligations for informed and balanced decision making;
6. 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;
7. 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;
8. refrain from any action that would lead to loss of his independence;
9. where circumstances arise which make an independent Director lose his independence, the independent Director must immediately inform the Board accordingly;
10. assist the Company in implementing the best corporate governance practices.

#### **Role and functions:**

The Independent Directors shall :

1. Assist 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. 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 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 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 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.
14. 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;
15. All the independent directors of the company shall strive to be present at such meeting;
16. 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.