

Terms and conditions of Appointment of Independent Directors

Dear Mr.....,

Re: Your Appointment as Independent Director of the Company.

We are pleased to advise you that the shareholders on have approved your appointment as an Independent Director of the Company, pursuant to the Companies Act, 2013 and the rules thereunder and the Listing Agreement with Stock Exchanges, to hold office for five consecutive years from.....

As required under the Companies Act, 2013, (hereinafter referred to as “Act” this letter of appointment is issued to formalise your appointment as an Independent Director. Kindly note that you will not be deemed to be an employee of the company and this letter does not constitute a contract of employment.

A. Term of Appointment

Your Appointment is for a term of 5 years commencing from upto This directorship is not subject to retirement by rotation during the term, as per the relevant provisions of the Act.

B. Criteria for Appointment

1. During your tenure as an Independent Director, you will have to submit a declaration at the beginning of every Financial Year under Section 149 (7) of the Act, 2013 stating that you meet the criteria of Independence.
2. So long as you are an 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 an 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.

C. Code of Conduct and Duties and Responsibilities

1. You will abide by the Ovobel Foods Limited Code of Conduct as set out in **Annexure I**.
2. You will abide by the guidelines of professional conduct, role, function and duties as an Independent Director provided in Schedule IV and other applicable provisions of the Act and Clause 49 of the Listing Agreement, as amended from time to time, as set out at **Annexure 2** hereto.
3. You will not hold office as a Director or any other office in a competing firm/entity.
4. Your reappointment will be recommended by the Nomination and Remuneration Committee of the Board, pursuant to a performance evaluation carried out by the Board.
5. You are currently a member of..... The Board may reconstitute any committee, from time to time, and any such change shall be communicated to you. You will be required to serve on such committees as the Board may request, from time to time. The terms of reference of the Committees are as stipulated by the Board from time to time as provided under the Act and the listing agreement.
6. You are expected to:
 - (i) Act in accordance with the Articles of Association of the Company.
 - (ii) Act in good faith in order to promote the objects of the Company
 - (iii) Take decisions objectively and solely in the interests of the Company
 - (iv) Facilitate Company's adherence to high standards of ethics and corporate behavior
 - (v) Attend all meetings of the Board of Directors and of the Board Committees of which you are a member and the General Meetings of the shareholders of the Company.
 - (vi) Inform the Board of any change in the status as an Independent Director.

D. Remuneration

1. You will be paid remuneration by way of sitting fees for attending each meeting of the Board and its Committees as may be determined by the Board from time to time.
2. In addition to the above, you will be entitled to reimbursement of all expenses incurred by you in connection with your participation in the Board and Board Committee meetings and General Meetings.

E. Disclosures

1. You will have to submit certain information in the prescribed forms on a defined format periodically to the Board
2. You shall scrupulously follow the provisions of the Code of internal procedures and conduct framed by the Company pursuant to Regulation 12 of the SEBI (Prohibition of Insider Trading) Regulations, 1992 and other applicable Regulations in force from time to time in matters of securities transactions and pertaining to price sensitive information.
3. You will have to in respect of your business interests in other entities, if any, and in order to avoid any conflict of interest, disclose to the Board, in writing, the nature of interest both direct or indirect in any contract or arrangement entered or proposed to be entered by the company with such entities. In the event of any change in the nature of your interest, the same shall be disclosed to the Board forthwith. Further, you will be required to abstain from participating in the Board / Committee meetings where there is a deliberation or voting on any item of business in respect of which you are interested.

F. Insurance

The Company intends to provide all Directors with Directors and Officers Insurance cover while acting in their capacities as Directors. The amount of the Insurance cover will be made known as and when the said policy is taken by the Company.

G. Confidentiality

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.

E. Miscellaneous

Should you so wish to resign from your position as an Independent Director, you may do so by communicating in writing to the Board after giving reasonable time to the Chairman to enable him to plan suitable succession to the Board.

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

Chairman & Managing Director

Agreed and Accepted

Introduction

This Code of conduct has been framed in compliance with the provisions of Clause 49 of the listing agreement with the stock exchanges. The purpose of this code is to help ensure that the members of the Board, the Senior Management and the employees conduct the business with the highest standards of integrity, honesty, ethics, conduct and governance and also to ensure that they act in an efficient and transparent manner in the conduct of the day to day activities of the organization. It shall be our responsibility to maintain a co-operative, efficient, harmonious and productive work environment in the organization. We therefore shall endeavour to uphold the above in our day to day activities, comply with all applicable policies and procedures and ensure that all adhere to this Code.

Applicability

The Code of conduct shall apply to:

- 1. All the directors of the company.*
- 2. Members of the senior management of the company (i.e., one level below the executive directors).*
- 3. Functional heads in the company.*

The Code

Introduction:

The Directors of Ovobel Foods Limited (“Company”) adopt this Code of Conduct (the “Directors’ Code”) to assist directors and senior management in fulfilling their duties to the Company. The directors are entrusted with responsibility to oversee management of the business and affairs of the Company. As the Company’s policy-makers, the Directors set the standard of conduct for all directors, officers and employees.

The Company has a long-standing commitment to compliance with applicable laws and regulations and to operating in accordance with the highest standards of business conduct. In many instances, the Directors’ Code’s guidelines and standards go beyond the requirements of applicable law.

Guidelines for Conduct:

Each director should seek to use due care in the performance of his/her duties, be loyal to the Company and act in good faith and in a manner the director reasonably believes to be in or not opposed to the best interests of the Company. A director should:

- 1. Seek to comply with all applicable laws, regulations, confidentiality obligations and Corporate Policies.*

2. Be aware of and seek to fulfill his or her duties and responsibilities as set forth in the Company's Memorandum of Association, Articles of Association and Corporate Governance guidelines
3. Dedicate sufficient time, energy and attention to the Company to ensure diligent performance of his/her duties, including preparing for meetings and decision-making by reviewing in advance any materials distributed and making reasonable inquiries
4. Use reasonable efforts to attend Board and committee meetings regularly

Conflicts of Interest:

Directors and Senior Management Team are expected to dedicate their best efforts to advancing the Company's interests and to make decisions that affect the Company based on the Company's best interests and independent of outside influences.

Company Property:

Directors and senior managers have a responsibility to safeguard and properly use Company assets and resources, as well as assets of other organizations that have been entrusted to the Company. Except as specifically authorized, Company assets, including Company equipment, materials, resources and proprietary information, must be used for Company business purposes only.

Confidential Information:

Directors and senior managers shall maintain the confidentiality of information entrusted to them by the Company. The Company's confidential and proprietary information shall not be inappropriately disclosed or used for the personal gain or advantage of the director or anyone other than the Company.

Fair Dealing:

Directors and senior managers should endeavor to deal fairly with the Company's Customers, Suppliers, Competitors and Employees and should never take unfair advantage of others through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice.

Compliance with Laws and Regulations:

The Company is committed to compliance with those acts, rules and regulations that govern the conduct of our business.

Securities Laws:

It is Company policy to make full, fair, accurate, timely and understandable disclosure in compliance with all applicable laws and regulations in all reports and documents that the Company files with, or submits to, the Securities and Exchange Board of India, the Stock Exchange, Registrar of Companies and in all other public communications made by the Company. Directors must abide by applicable Company policies and procedures designed to promote compliance with this policy.

Declarations to the Board:

A Board Member shall not take membership of more than such number of committees or act as Chairman of more than such number of committees across all companies as is prescribed under applicable law or provisions of Listing Agreement with Stock Exchanges. Every Board Member shall inform the Board of all such membership at the beginning of each financial year and also of every change as and when they take place.

The Board Members and the Senior Management team shall inform their equity holding in the company and any changes that may take place and shall not indulge in any trading of the securities of the company which would come within the purview of the Company's Insider Trading Regulations. In case of any agreement or contract which is or shall be entered into by and between two corporate entities, in which a Director is interested, the Director shall forthwith draw the attention of the Board about the fact and shall not participate in the deliberations nor vote on the resolution relating to the same.

Insider Trading:

Directors and senior management personnel are prohibited by Company policy and the law from buying or selling securities of the Company when in possession of material Unpublished Price Sensitive Information. Passing such information on to someone who may buy or sell securities (tipping) is also illegal. The prohibition applies to Companies securities and to securities of other companies if you learn material Unpublished Price Sensitive Information about other companies, such as the Company's customers or suppliers, in the course of duties for the Company. Directors are subject to additional requirements relating to reporting and effecting transactions in Company securities.

Anti-Corruption Laws:

The Company conducts its international business activities in compliance with applicable Anti-Corruption Act of the India and the laws of all other countries in which the Company conducts business. The Anti-Corruption Act prohibits the Company and its officers, employees and agents from giving or offering to give money or anything of value to a foreign official, a foreign political party, a party official or a candidate for political office in order to influence official acts or decisions of that person or entity, to obtain or retain business, or to secure any improper advantage. Directors and Senior Manager Personnel should not engage in any activity that might involve the Company in a violation of the Anti-Corruption Act.

Interacting with Government:

The various branches and levels of government have different laws restricting gifts, including meals, entertainment, transportation and lodging that may be provided to Government Officials and Government Employees. Directors and Senior Management Personnel's should not offer to or pay for meals, travel, lodging or any other expenses for Government Officials in connection with the Company or Company business without first consulting with the Legal Counsel.

Non-Compliance:

Suspected violations of this Code must be reported to the Chairman of the Board or the Chairman of the Audit Committee. All reported violations will be appropriately investigated. Directors who violate this Code may be subject to sanctions, up to and including a request to resign as Director or the Board's seeking removal of the Director, where permitted by applicable law.

A director charged with a violation of this Directors' Code should not participate in a vote of the Committee or the Board concerning his/her alleged violation, but may be present at a meeting of the Board or Committee convened for that purpose.

Any waiver of this Directors' Code must be approved by the Board of Directors and publicly disclosed as required by law or regulation.

No Rights Created:

This Directors' Code sets forth guidelines for conduct for the Board of Directors and Senior Management Team. It is not intended to and does not create any rights in any director, officer, employee, client, supplier, competitor, shareholder or any other person or entity.

Acknowledgement of receipt of Code of Conduct:

I have received and read the Code of Conduct, I understand the standards contained in the Code and I agree to comply with the same.

Name, Signature and Date.

Duties of Directors in terms of Section 166 of the Companies Act, 2013:

- a) *Subject to the provisions of this Act, a director of the Company shall act in accordance with the Articles of the Company.*
- b) *A director of the Company 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 interests of the Company, its employees, the shareholders, the community and for the protection of environment.*
- c) *A director of the Company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.*
- d) *A director of the Company shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.*
- e) *A director of the Company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the Company.*
- f) *A director of the Company shall not assign his office and any assignment so made shall be void.*

Duties of Independent Directors in terms of Schedule IV of the Companies Act, 2013 shall be as under:

The independent director 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 he is a member;*
- (d) participate constructively and actively in the committees of the Board in which they are chairpersons or members;*
- (e) strive to attend the general meetings of the Company;*
- (f) 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;*
- (g) keep themselves 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 his 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.*

Guidelines of professional conduct, Role, Function and Duties as an Independent Director (As provided in Schedule IV of the Companies Act, 2013)

Guidelines for Professional conduct:

1. To uphold ethical standards of integrity and probity;
2. To act objectively and constructively while exercising your duties;
3. To exercise their responsibilities in a bona fide manner in the interest of the Company;
4. To devote sufficient time and attention towards your professional obligations for informed and balanced decision making;
5. To not allow any extraneous considerations that will vitiate their 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. To not abuse their 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. To refrain from any action that would lead to loss of their independence;
8. where circumstances arise which make an independent Director lose his independence, the independent Director must immediately inform the Board accordingly;
9. To assist the Company in implementing the best corporate governance practices.

Role and functions:

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. Scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance.
4. Satisfy yourself 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.

Duties:

1. Moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.
2. Undertake appropriate induction and regularly update and refresh your skills, knowledge and familiarity with the Company.
3. 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.
4. Strive to attend all meetings of the Board including a Separate meeting of the independent director and of the Board committees of which you are a member.
5. Participate constructively and actively in the committees of the Board in which you are chairperson or member.
6. Strive to attend the general meetings of the Company.
7. Where you 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 your concerns are recorded in the minutes of the Board meeting.
8. Keep yourself well informed about the Company and the external environment in which it operates.
9. Not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board.
10. Pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure yourself that the same are in the interest of the Company.
11. 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.

12. Report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.
13. Acting within your authority, assist in protecting the legitimate interests of the Company, shareholders and its employees.
14. 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.