



**MANDHANA**

*a whirlpool of ideas!*

Registered Offices : Plot No. C-3, M.I.D.C., Tarapur Industrial, Area Boisar - 401 506.

CIN : L17120MH1984PLC033553

3<sup>rd</sup> January, 2017

To,  
Listing Department,  
National Stock Exchange of India Limited  
Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C-1,  
G Block, Bandra Kurla Complex,  
Bandra (E), Mumbai - 400 051

**Sub:** Reply to the clarification sought regarding appointment of Independent Directors

**Ref:** Email dated 30<sup>th</sup> December, 2016 received from your office

**NSE Symbol - MANDHANA**

Dear Sir,

With reference to your abovementioned email dated 30<sup>th</sup> December, 2016, please find following details regarding the Independent Directors appointed by the Board of Directors in its meeting held on 28<sup>th</sup> December, 2016:

| Sr. No. | Name of the Independent Directors | Brief profile                                | Terms of Appointment                              | Date of Appointment             |
|---------|-----------------------------------|----------------------------------------------|---------------------------------------------------|---------------------------------|
| 1.      | Mr. Jeenendra Bhandari            | Enclosed herewith & marked as Annexure – I   | Enclosed herewith & marked as Annexure as – IV-A. | 28 <sup>th</sup> December, 2016 |
| 2.      | Mr. Chandrakant Shetty            | Enclosed herewith & marked as Annexure – II  | Enclosed herewith & marked as Annexure as – IV-B. |                                 |
| 3.      | Mr. Pandharinath Parab            | Enclosed herewith & marked as Annexure – III | Enclosed herewith & marked as Annexure as – IV-C. |                                 |

Further, we request you to kindly note that none of the Independent Directors of the Company are in any way related inter se amongst each other, nor they are related with any of the executive directors of the Company.

Kindly take the above on your records and oblige.

Yours faithfully,  
for **MANDHANA INDUSTRIES LIMITED**

9/1/17

**PURUSHOTTAM C. MANDHANA**  
(Chairman and Managing Director)



**MANDHANA INDUSTRIES LTD.**

205-214, Peninsula Center, Dr. S.S. Rao Road, Off. Dr. Ambedkar Road, Parel, Mumbai - 400 012, India  
Tel. : 91-22-43539191 • Fax: 91-22-43539216 / 17 / 18 • E-mail : info@mandhana.com • Websit : www.mandhana.com





**Jeenendra Bhandari**  
**Partner**  
**MGB & Co LLP**  
**Chartered Accountants**

Contact Information

Direct +91- 22 61246140  
Board +91- 22 61246124  
E-Mail [jbhandari@mgbco.com](mailto:jbhandari@mgbco.com)

Education/ Qualifications

- FCA – The Institute of Chartered Accountants of India
- Certified Public Accountant - Delaware, United States

Service Line

- Taxation
- Transaction Support Services
- Risk Consulting
- CSR Advisory
- Advising Startups
- M&A

## Jeenendra Bhandari

Professional Experience :

Jeenendra is Partner at MGB & Co LLP, Chartered Accountants, one of India's largest and respected full services chartered accountancy firm. MGB, with a 260 people presence at Mumbai, Delhi and Jaipur, is a 36 year old firm providing comprehensive set of assurance, taxation, risk management and business advisory services under one roof. MGB, through its network of worldwide accounting firms has access to the combined knowledge and expertise in over 80 countries providing the ability to service clients anywhere in the world.

Jeenendra has more than 18 years of experience and currently leads the Business consulting unit of the firm. He advises and assists clients on various issues and making them aware of the regulatory intricacies in various business decisions. He enjoys an excellent reputation and has a strong network in the corporate sector. He also shares the responsibility for the ongoing development of the firm's practice.

Jeenendra completed his Bachelors degree from Narsee Monjee College and his Masters degree from Sydenham College and qualified as a Chartered Accountant, at 21 years. He is also a Certified Public Accountant from Delaware, United States. Prior to joining MGB as a partner, Jeenendra was with the Tax, Regulatory and Business Advisory practice of Arthur Andersen at Mumbai.

Jeenendra was a visiting faculty at Sydenham College for 'Entrepreneurship' and also coached aspiring students to prepare for CPA in USA. Jeenendra loves mentoring new business ideas and has invested in a number of technology and healthcare startups and exited a few of them successfully.

Jeenendra is passionate about cycling and traveling. Jeenendra has promoted 'ChandraMohan Foundation', a family charity for public welfare activities.

### **Achievements:**

#### **Professional:**

- Completed Chartered Accountancy with all India rank before the age of 21.
- Was the Chairman of the 'Young Leaders Forum', the youth wing of the oldest and most respected Business Chamber in India, Indian Merchants' Chamber for two consecutive years
- Was Member of the International Taxation and the International Affairs Committee of the western region of the Institute of Chartered Accountants of India ('ICAI'), the regulatory body for Chartered Accountants in India
- Has led the firm to be recognised amongst the best tax firm in India in the World Tax Review rankings
- Led and setup Empowerstartups ([www.empowerStartups.in](http://www.empowerStartups.in)), the startups advisory practice in the firm which provides a 360 degree support services to startups right from ideating the business plan to exit.
- Besides academic accomplishments & achievements, he has several publications to his credit in reputed Tax Journals and a speaker in several Conferences, Seminars, Panel Discussions and Faculty Development Programmes on regular basis.
- Founding member of Arthur Andersen Alumni in India, which was once the world's largest professional services firm

#### **Social:**

- Led the firm's initiative into a number of social activities. Passionate about enabling CSR to achieve that 'small' change in this world
- Initiated setting up the 'MGB Computer Centre' for CA students at the new ICAI building at BKC, Mumbai with a donation of Rs 2.5mio.
- Led and setup EmpowerCSR ([www.empowercsr.com](http://www.empowercsr.com)), the CSR arm of the firm, to enable Corporates, NGOs and Donors to carry their CSR activities
- Sits on the Board of Advisors of AIESEC, a students body, present in over 2,400 universities in its 125 member countries and territories across the globe and its international exchange program that enables over 27,500 students and recent graduates the opportunity to work or volunteer in another country.
- Member of Shri Mahesh Shikshan Sansthan, Rajasthan established in 1919 providing education to 8000 students every year spread across 9 English and Hindi medium schools, a Commerce College and a Teacher's training college.
- Awarded "Best work in other Social Services" for Chartered Accountants by ICAI in 2015.
- Jury member of the UBM CSR and NGO Awards 2015 for awards given to Corporates and NGOs for excellence in social work

## **Chandrakant S. Shetty**

1, Saikripa Building, Patil Lane,  
Chunabhatti, Mumbai - 4000 22

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### **Brief profile of Mr. Chandrakant Shetty**

Mr. Chandrakant S. Shetty aged 55 years is a commerce graduate from Mumbai University. He has over 37 years of experience in various industries in the fields of Accounting, Auditing and Money Management. He is currently associated with the Western railways, Cash & Pay Department. He was previously associated in different capacity with Sahakari Chemicals, Pvt. Ltd., A.H. Contractor & Co., Chartered Accountants, M.K.D. Films & Rajshri Pictures Pvt. Ltd.

## **Pandharinath P. Parab**

Merwan Building Room No. 12,  
T.J. Road, behind Bhatiya Hospital,  
Grant Road West, Mumbai - 400 007

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### **Brief Profile of Mr. Pandharinath Parab**

Mr. Pandharinath P. Parab aged 43 years is a qualified optometrist. He has around 10 years of experience in optometry. He is also engaged in commercial real estate consultancy and have around 15 years of experience in the real estate consultancy profession. He had closely worked with top corporate offices in finalizing commercial properties deals.



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CIN : L17120MH1984PLC033553

Annexure - IV A

29<sup>th</sup> December, 2016

To,

**Mr. Jeenendra Bhandari**

224/234, Kalpataru Horizon,

Tower B, Ahire Marg, Mumbai - 400 018

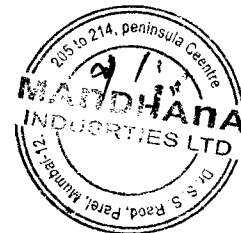
**Sub: Appointment as Independent Director**

We thank you for your confirmation to Mandhana Industries Limited (the "Company"/ "MIL") that you meet the "independence" criteria as envisaged in Section 149(6) of the Companies Act, 2013 ("2013 Act") [and applicable Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")] and also for your consenting to hold office as a director of the Company.

Pursuant to your confirmation, we are pleased to confirm that upon the Board of Directors (the "Board") of the Company vide its resolution passed on 28<sup>th</sup> December, 2016 has approved your appointment as an Additional Director on the Board of the Company at a designation of Non-Executive and Independent Director w.e.f. 28<sup>th</sup> December, 2016 to hold office upto the date of the 33<sup>rd</sup> Annual General Meeting of the Company under Section 161 and other applicable provisions (including any modification or re-enactment thereof), if any, of the Companies Act, 2013.

This letter sets out the terms of your appointment as an Independent Director. Your relationship with the Company will be that of an office-holder and not one contract for employment in the Company. The terms of your appointment, as set out in this letter, are subject to the extant provision of the (i) applicable laws, including 2013 Act and applicable Regulations of Listing Regulations (as amended from time to time) and (ii) Articles of Association of the Company ("AOA").

Page 1 of 7



**MANDHANA INDUSTRIES LTD.**

205-214, Peninsula Center, Dr. S.S. Rao Road, Off. Dr. Ambedkar Road, Parel, Mumbai - 400 012, India  
Tel. : 91-22-43539191 • Fax: 91-22-43539216 / 17 / 18 • E-mail : info@mandhana.com • Websit : www.mandhana.com



1.

## **Appointment**

Your appointment will be upto the date of the 33<sup>rd</sup> Annual General Meeting of the Company and shall take effect from 28<sup>th</sup> December, 2016, unless terminated earlier or extended, as per the provisions of this letter or applicable laws ("Terms").

As an Independent Director you will not be liable to retire by rotation.

Re-appointment at the end of the Term shall be based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Board and the shareholders.

Your re-appointment would be consideration by the Board based on the outcome of the performance evaluation process and you continuing to meet the independent criteria.

As per the Board's assessment, you may also be appointed as a Chairman / Member of the Committee(s) of the Board. The mandates of the aforesaid Committees will be provided at the time of your induction to such Committee(s). The Board may reconstitute the composition of any/all Committees, from time to time, and any such change shall be promptly communicated to you. In such an event you may also be required to serve on other Committees of the Board.

## **2. Role, Duties and responsibilities**

- A. As member of the Board you along with the other Directors will be collectively responsible for meeting the objections of the Board which include:
- Requirements under the Companies Act, 2013,
  - "Responsibilities of the Board" as outlined under Regulation 4(2)(f) of Listing Regulations,
  - Accountability under the Director's Responsibility Statement,
  - Overseeing the maintenance of high standards of the Company's values and ethical conduct of business,
  - Overseeing the Company's contribution to enhancing the quality of life of communities,
  - Protecting and enhancing the Company's brand.
- B. You shall abide by the 'Code For Independent Directors' as outlined in Schedule IV to section 149(8) of the 2013 Act, and duties of directors as provided in the 2013 Act (including Section 166) and in Listing Regulations.
- C. You will also be responsible for providing guidance in the area of your expertise.

### 3. Time Commitment

Considering the nature of the role of a director, it is difficult for a company to lay down specific parameters on time commitment. You agree to devote such time as is prudent and necessary for the proper performance of your role, duties and responsibilities as an Independent Director.

### 4. Remuneration

As an Independent Director you shall be paid sitting fees for attending the meetings of the Board and the Committees of which you are a member.

In addition to the sitting fees, profit related commission may also be payable to you. In determining the amount of this commission, the Nomination and Remuneration Committee may consider various factors as disclosed in the remuneration policy forming part of the Board's report.

An indicative list of the factors that may be consideration are as follows:

- Attendance at Board meetings,
- Attendance at Board Committee Meetings,
- Chairmanship of the Board,
- Chairmanship of Board Committees,
- Contribution at Board and Committee Meetings,
- Guidance and support provided to senior management of the Company outside of Board meetings,
- Industry practices,
- Performance evaluation, and
- Performance of the Company.

Further, the Company may pay or reimburse to you such fair and reasonable expenditure, as may have been incurred by you while performing your role as an Independent Director of the Company. This could include reimbursement of expenditure incurred by you for attending Board/ Committee meetings, Annual General Meetings, Extraordinary General Meetings, court convened meetings, meetings with shareholders/ creditors/ management, site visits, induction and training (organized by the Company for Directors) and in obtaining, subject to prior consultation with the Board, professional advice from independent advisors in the furtherance of your duties as an Independent Director.

**5. Insurance**

The Company may take an appropriate Directors' and Officers' Liability Insurance policy and pay the premiums for the same. It is intended to maintain such insurance cover for the Term of your appointment, subject to the terms of such policy in force from time to time.

**6. MIL - Code of Conduct**

As an Independent Director of the Company, you agree to comply with the Company's Code of Conduct for Non-Executive Directors (NEDs). For your reference, the Code of Conduct for Non-Executive Directors is outlined below:

- Non-Executive 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 conflict of interest with the operations of the Company and his/ her role therein,
- Non-Executive 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 Directors will safeguard the confidentiality of all information received by them by virtue of their position.

Unless specifically authorized by the Company, you shall not disclose company and business information to public constituencies such as the media, the financial community, employees, shareholders, agents, franchises, dealers, distributors and importers.

Your obligation of confidentiality shall survive termination or cessation of your directorship with the Company.

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

Additionally, you shall not participate in any business activity which might impede the application of your independent judgment in the best interest of the Company.

All Directors are required to sign a confirmation of adherence of the MIL - Code of Conduct for NEDs on annual basis.

## 7. Induction and Development

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

- Board roles and responsibilities, whilst seeking to build working relationship among the Board members,
- Company's vision, strategic direction, core values, ethics and corporate governance practices,
- Familiarization with financial matters, management team and business operations,
- Meetings with stakeholders, visits to business locations and meetings with senior and middle management.

The Company shall, as may be required, support Directors to continually update their skills and knowledge and improve their familiarity with the company and its business. The Company will fund/arrange for training on all matters which are common to the whole Board.

## 8. 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 this exercise 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 behavior and judgment, and
- Impact and influence.

**9. Disclosures, other directorships and business interests**

During the Term, you agree to promptly 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 also agree that upon becoming aware of any potential conflict of interest with your position as Independent Director of the Company, you shall promptly disclose the same to the Chairman and the Company Secretary.

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

**10. Changes of personal details**

During the your term, you shall promptly intimate the Company Secretary and the Registrar of Companies in the prescribed manner, of any change in address or other contact and personal details provided to the Company.

**11. Termination**

Your directorship on the Board of the Company shall terminate or cease in accordance with law. Apart from the grounds of termination as specified in the 2013 Act, your directorship may be terminated for violation of any provision of the MIL - 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 Term, 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 you fail to meet the criteria for "independence" under the provisions of the Listing Regulations, you agree to promptly submit your resignation to the Company with effect from the date of such change.

**12. 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 Term, 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.

**13. Miscellaneous**

- This letter represents the entire understanding, and constitutes the whole agreement, in relation to your appointment and supersedes any previous agreement between yourself and the Company with respect thereto and, without prejudice to the generality of the foregoing, excludes any warranty, condition or other undertaking implied at law or by custom.
- No waiver or modification of this letter shall be valid unless made in writing and signed by you and the Company.
- Pursuant to applicable provisions of the Listing Regulations, this letter along with your detailed profile shall be disclosed on the website of the Company and the relevant stock exchange.

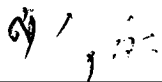
**14. Acceptance of Appointment**

We are confident that the Board and the Company will benefit immensely from your rich experience and we are eager to have you as an integral part of the growth of our Company. If these terms of appointment are acceptable to you, please confirm your acceptance by signing and returning the enclosed copy of this letter.

We thank you for your continued support and commitment to the Company.

Yours sincerely,

For **MANDHANA INDUSTRIES LIMITED**



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**PURUSHOTTAM C. MANDHANA**  
(Chairman and Managing Director)





Annexure - IV - B

**MANDHANA**

*a whirlpool of ideas!*

Registered Offices : Plot No. C-3, M.I.D.C., Tarapur Industrial, Area Boisar - 401 506.

CIN : LI7120MH1984PLC033553

29<sup>th</sup> December, 2016

To,

**Mr. Chandrakant Shetty**

1, Saikripa Building, Patil Lane,  
Chunabhatti, Mumbai - 4000 22

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This letter sets out the terms of your appointment as an Independent Director. Your relationship with the Company will be that of an office-holder and not one contract for employment in the Company. The terms of your appointment, as set out in this letter, are subject to the extant provision of the (i) applicable laws, including 2013 Act and applicable Regulations of Listing Regulations (as amended from time to time) and (ii) Articles of Association of the Company ("AOA").

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**1. Appointment**

Your appointment will be upto the date of the 33<sup>rd</sup> Annual General Meeting of the Company and shall take effect from 28<sup>th</sup> December, 2016, unless terminated earlier or extended, as per the provisions of this letter or applicable laws ("Terms").

As an Independent Director you will not be liable to retire by rotation.

Re-appointment at the end of the Term shall be based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Board and the shareholders.

Your re-appointment would be consideration by the Board based on the outcome of the performance evaluation process and you continuing to meet the independent criteria.

As per the Board's assessment, you may also be appointed as a Chairman / Member of the Committee(s) of the Board. The mandates of the aforesaid Committees will be provided at the time of your induction to such Committee(s). The Board may reconstitute the composition of any/all Committees, from time to time, and any such change shall be promptly communicated to you. In such an event you may also be required to serve on other Committees of the Board.

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  - Overseeing the maintenance of high standards of the Company's values and ethical conduct of business,
  - Overseeing the Company's contribution to enhancing the quality of life of communities,
  - Protecting and enhancing the Company's brand.
- B. You shall abide by the 'Code For Independent Directors' as outlined in Schedule IV to section 149(8) of the 2013 Act, and duties of directors as provided in the 2013 Act (including Section 166) and in Listing Regulations.
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Your obligation of confidentiality shall survive termination or cessation of your directorship with the Company.

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

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- Effective management of relationship with stakeholders,
- Integrity and maintenance of confidentiality,
- Independence of behavior and judgment, and
- Impact and influence.

**9. Disclosures, other directorships and business interests**

During the Term, you agree to promptly 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 also agree that upon becoming aware of any potential conflict of interest with your position as Independent Director of the Company, you shall promptly disclose the same to the Chairman and the Company Secretary.

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

**10. Changes of personal details**

During the your term, you shall promptly intimate the Company Secretary and the Registrar of Companies in the prescribed manner, of any change in address or other contact and personal details provided to the Company.

**11. Termination**

Your directorship on the Board of the Company shall terminate or cease in accordance with law. Apart from the grounds of termination as specified in the 2013 Act, your directorship may be terminated for violation of any provision of the MLL - 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 Term, 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 you fail to meet the criteria for "independence" under the provisions of the Listing Regulations, you agree to promptly submit your resignation to the Company with effect from the date of such change.

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In the event of any claim or litigation against the Company, based upon any alleged conduct, act or omission on your part during your Term, 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.

## 13. Miscellaneous

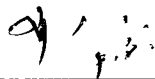
- This letter represents the entire understanding, and constitutes the whole agreement, in relation to your appointment and supersedes any previous agreement between yourself and the Company with respect thereto and, without prejudice to the generality of the foregoing, excludes any warranty, condition or other undertaking implied at law or by custom.
- No waiver or modification of this letter shall be valid unless made in writing and signed by you and the Company.
- Pursuant to applicable provisions of the Listing Regulations, this letter along with your detailed profile shall be disclosed on the website of the Company and the relevant stock exchange.

## 14. Acceptance of Appointment

We are confident that the Board and the Company will benefit immensely from your rich experience and we are eager to have you as an integral part of the growth of our Company. If these terms of appointment are acceptable to you, please confirm your acceptance by signing and returning the enclosed copy of this letter.

We thank you for your continued support and commitment to the Company.

Yours sincerely,  
For **MANDHANA INDUSTRIES LIMITED**



**PURUSHOTTAM C. MANDHANA**  
(Chairman and Managing Director)





**MANDHANA**

*a whirlpool of ideas!*

Registered Offices : Plot No. C-3, M.I.D.C., Tarapur Industrial, Area Boisar - 401 506.

CIN : L17120MH1984PLC033553

Annexure - IV - C

29<sup>th</sup> December, 2016

To,

**Mr. Pandharinath Parab**

Merwan Building Room No. 12,

T.J. Road, behind Bhatiya Hospital,

Grant Road West, Mumbai - 400 007

**Sub: Appointment as Independent Director**

We thank you for your confirmation to Mandhana Industries Limited (the "Company"/ "MIL") that you meet the "independence" criteria as envisaged in Section 149(6) of the Companies Act, 2013 ("2013 Act") [and applicable Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")] and also for your consenting to hold office as a director of the Company.

Pursuant to your confirmation, we are pleased to confirm that upon the Board of Directors (the "Board") of the Company vide its resolution passed on 28<sup>th</sup> December, 2016 has approved your appointment as an Additional Director on the Board of the Company at a designation of Non-Executive and Independent Director w.e.f. 28<sup>th</sup> December, 2016 to hold office upto the date of the 33<sup>rd</sup> Annual General Meeting of the Company under Section 161 and other applicable provisions (including any modification or re-enactment thereof), if any, of the Companies Act, 2013.

This letter sets out the terms of your appointment as an Independent Director. Your relationship with the Company will be that of an office-holder and not one contract for employment in the Company. The terms of your appointment, as set out in this letter, are subject to the extant provision of the (i) applicable laws, including 2013 Act and applicable Regulations of Listing Regulations (as amended from time to time) and (ii) Articles of Association of the Company ("AOA").

Page 1 of 7



**MANDHANA INDUSTRIES LTD.**

205-214, Peninsula Center, Dr. S.S. Rao Road, Off. Dr. Ambedkar Road, Parel, Mumbai - 400 012, India  
Tel. : 91-22-43539191 • Fax : 91-22-43539216 / 17 / 18 • E-mail : info@mandhana.com • Websit : www.mandhana.com



## 1. Appointment

Your appointment will be upto the date of the 33<sup>rd</sup> Annual General Meeting of the Company and shall take effect from 28<sup>th</sup> December, 2016, unless terminated earlier or extended, as per the provisions of this letter or applicable laws ("Terms").

As an Independent Director you will not be liable to retire by rotation.

Re-appointment at the end of the Term shall be based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Board and the shareholders.

Your re-appointment would be consideration by the Board based on the outcome of the performance evaluation process and you continuing to meet the independent criteria.

As per the Board's assessment, you may also be appointed as a Chairman / Member of the Committee(s) of the Board. The mandates of the aforesaid Committees will be provided at the time of your induction to such Committee(s). The Board may reconstitute the composition of any/all Committees, from time to time, and any such change shall be promptly communicated to you. In such an event you may also be required to serve on other Committees of the Board.

## 2. Role, Duties and responsibilities

- A. As member of the Board you along with the other Directors will be collectively responsible for meeting the objections of the Board which include:
- Requirements under the Companies Act, 2013,
  - "Responsibilities of the Board" as outlined under Regulation 4(2)(f) of Listing Regulations,
  - Accountability under the Director's Responsibility Statement,
  - Overseeing the maintenance of high standards of the Company's values and ethical conduct of business,
  - Overseeing the Company's contribution to enhancing the quality of life of communities,
  - Protecting and enhancing the Company's brand.
- B. You shall abide by the 'Code For Independent Directors' as outlined in Schedule IV to section 149(8) of the 2013 Act, and duties of directors as provided in the 2013 Act (including Section 166) and in Listing Regulations.
- C. You will also be responsible for providing guidance in the area of your expertise.

### 3. Time Commitment

Considering the nature of the role of a director, it is difficult for a company to lay down specific parameters on time commitment. You agree to devote such time as is prudent and necessary for the proper performance of your role, duties and responsibilities as an Independent Director.

### 4. Remuneration

As an Independent Director you shall be paid sitting fees for attending the meetings of the Board and the Committees of which you are a member.

In addition to the sitting fees, profit related commission may also be payable to you. In determining the amount of this commission, the Nomination and Remuneration Committee may consider various factors as disclosed in the remuneration policy forming part of the Board's report.

An indicative list of the factors that may be consideration are as follows:

- Attendance at Board meetings,
- Attendance at Board Committee Meetings,
- Chairmanship of the Board,
- Chairmanship of Board Committees,
- Contribution at Board and Committee Meetings,
- Guidance and support provided to senior management of the Company outside of Board meetings,
- Industry practices,
- Performance evaluation, and
- Performance of the Company.

Further, the Company may pay or reimburse to you such fair and reasonable expenditure, as may have been incurred by you while performing your role as an Independent Director of the Company. This could include reimbursement of expenditure incurred by you for attending Board/ Committee meetings, Annual General Meetings, Extraordinary General Meetings, court convened meetings, meetings with shareholders/ creditors/ management, site visits, induction and training (organized by the Company for Directors) and in obtaining, subject to prior consultation with the Board, professional advice from independent advisors in the furtherance of your duties as an Independent Director.

**5. Insurance**

The Company may take an appropriate Directors' and Officers' Liability Insurance policy and pay the premiums for the same. It is intended to maintain such insurance cover for the Term of your appointment, subject to the terms of such policy in force from time to time.

**6. MIL - Code of Conduct**

As an Independent Director of the Company, you agree to comply with the Company's Code of Conduct for Non-Executive Directors (NEDs). For your reference, the Code of Conduct for Non-Executive Directors is outlined below:

- Non-Executive 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 conflict of interest with the operations of the Company and his/ her role therein,
- Non-Executive 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 Directors will safeguard the confidentiality of all information received by them by virtue of their position.

Unless specifically authorized by the Company, you shall not disclose company and business information to public constituencies such as the media, the financial community, employees, shareholders, agents, franchises, dealers, distributors and importers.

Your obligation of confidentiality shall survive termination or cessation of your directorship with the Company.

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

Additionally, you shall not participate in any business activity which might impede the application of your independent judgment in the best interest of the Company.

All Directors are required to sign a confirmation of adherence of the MIL - Code of Conduct for NEDs on annual basis.

## **7. Induction and Development**

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

- Board roles and responsibilities, whilst seeking to build working relationship among the Board members,
- Company's vision, strategic direction, core values, ethics and corporate governance practices,
- Familiarization with financial matters, management team and business operations,
- Meetings with stakeholders, visits to business locations and meetings with senior and middle management.

The Company shall, as may be required, support Directors to continually update their skills and knowledge and improve their familiarity with the company and its business. The Company will fund/arrange for training on all matters which are common to the whole Board.

## **8. 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 this exercise 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 behavior and judgment, and
- Impact and influence.

**9. Disclosures, other directorships and business interests**

During the Term, you agree to promptly 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 also agree that upon becoming aware of any potential conflict of interest with your position as Independent Director of the Company, you shall promptly disclose the same to the Chairman and the Company Secretary.

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

**10. Changes of personal details**

During the your term, you shall promptly intimate the Company Secretary and the Registrar of Companies in the prescribed manner, of any change in address or other contact and personal details provided to the Company.

**11. Termination**

Your directorship on the Board of the Company shall terminate or cease in accordance with law. Apart from the grounds of termination as specified in the 2013 Act, your directorship may be terminated for violation of any provision of the MIL - 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 Term, 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 you fail to meet the criteria for "independence" under the provisions of the Listing Regulations, you agree to promptly submit your resignation to the Company with effect from the date of such change.

**12. 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 Term, 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.

**13. Miscellaneous**

- This letter represents the entire understanding, and constitutes the whole agreement, in relation to your appointment and supersedes any previous agreement between yourself and the Company with respect thereto and, without prejudice to the generality of the foregoing, excludes any warranty, condition or other undertaking implied at law or by custom.
- No waiver or modification of this letter shall be valid unless made in writing and signed by you and the Company.
- Pursuant to applicable provisions of the Listing Regulations, this letter along with your detailed profile shall be disclosed on the website of the Company and the relevant stock exchange.

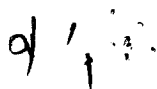
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We thank you for your continued support and commitment to the Company.

Yours sincerely,

For **MANDHANA INDUSTRIES LIMITED**



**PURUSHOTTAM C. MANDHANA**  
**(Chairman and Managing Director)**

