

SPECIMEN APPOINTMENT LETTER FOR INDEPENDENT DIRECTOR
(Pursuant to Schedule IV of the Act)

Sub: Appointment as non-Executive Independent Director under the Companies Act, 2013.

Dear Sir/Madam,

We are pleased to inform you that the members of the Company, at the 48th Annual General Meeting held on 18th September, 2014, have passed a resolution approving your appointment as an Independent Director of the Company, pursuant to the provisions of the Companies Act, 2013.

As per the requirements of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchange ("Listing Agreement"), your appointment is being formalized through this letter. Please note that this is a contract for service and is not a contract of employment.

1. Term of Appointment

1.1 Your appointment will be for a term of 5 (five) consecutive years commencing from 18th September, 2014 i.e. from the conclusion of the 48th Annual General Meeting till the conclusion of the 53rd Annual General Meeting of the Company to be held in the calendar year 2019. This tenure is subject to your meeting during the term the criteria for being an Independent Director and not being disqualified to continue to be a Director under the applicable laws, rules, regulations and the Listing Agreement.

1.2 As an Independent Director, the provisions for retirement by rotation at the Annual General Meetings of the Company shall not apply to you.

2. Disqualifications

2.1 Section 164 of the Companies Act, 2013 provides that a person is not eligible for appointment as a Director of a company if he suffers from any of the disqualifications specified in the said Section.

2.2 You are required to ensure that you do not attract any of the disqualifications as specified in Section 164 of the Companies Act, 2013. In case you attract any disqualifications, you shall forthwith inform in writing the Chairman about the same.

3. Independence

3.1 The Board of Directors of the Company *inter alia* has given due consideration to your declaration of being qualified as 'Independent' in accordance with the provisions of the Companies Act, 2013 and the Listing Agreement. You are expected to continue to be qualified as 'Independent' during your tenure and provide periodic declaration to that effect as required by the regulations. If circumstances change and you believe that it may not be possible for you to retain your independence, you shall intimate the same to the Company forthwith.

3.2 You will be identified as 'Independent Director' in the Annual Report and other documents and publications of the Company.

4. Board Committees

4.1 As advised by the Board, during your tenure of office, you may be required to serve on one or more of the Committees of the Board established by the Company. Upon your appointment to any one or more of the Committees, you will be provided with the appropriate Committee charter which sets out the functions of that Committee.

4.2 Currently, the Board has five Committees: Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Finance & Capex Committee and Corporate Social Responsibility Committee. All Committees consist of one or more of Independent Directors. The Board is responsible for constituting, assigning, co-opting and fixing the terms of reference of the Committees. The Chairperson of the Board, in consultation with the Company Secretary and the Committee Chairperson, determines the frequency and duration of the Committee meetings. Normally, the Committees meet four times in a year. The meetings of the Audit Committee, Finance & Capex Committee, Corporate Social Responsibility Committee and Nomination and Remuneration Committee last for the better part of a working day. Recommendations of the Committees are submitted to the full

Board for approval. The quorum for meetings of the Committees is either two members of the Committee or one-third of the members of the Committee, whichever is higher.

- 4.3** You are currently nominated on the following committees of the Board whose terms of reference have been provided to you.
- a.
 - b.

The Board of Directors has authority to make changes in the composition of the Committees of Directors and accordingly your membership is liable to change. You may be appointed on any other Committees of Directors.

5. Role on the Board

You are expected to provide your expertise and experience *inter alia* in the fields of strategic planning, business planning and development, risk management and other matters brought before the Board/its Committees. You are expected to invest your time for preparatory work and travel and ensure that you are in a position to make the necessary overall time commitment and positive contribution to the deliberations at the meetings of the Board/its Committees.

6. Duties and Liabilities

- 6.1** Your duties, responsibilities and liabilities as Independent Director shall be governed by the applicable laws, rules, regulations, the Listing Agreement, Company's policies and Articles of Association of the Company.
- 6.2** The laws that currently govern the duties, responsibilities and liabilities of an Independent Director are contained in the Companies Act, 2013 (including Rules thereunder) and the Listing Agreement, some of which are specifically outlined below:
- a) Section 166 of the Companies Act, 2013, which lays down the duties of the Directors, including Independent Directors.
 - b) Clause 49 of the Listing Agreement as applicable to Independent

Directors.

- c) The Code for Independent Directors as contained in Schedule IV to the Companies Act, 2013.
- d) You are required to make disclosure of your interest as per the requirements of Section 184 of the Companies Act, 2013 and not participate in the discussion in a meeting on any business in which you are interested.

6.3 You will be held liable only in respect of such acts of omission or commission by the Company which have occurred with your knowledge, attributable through Board processes, and with your consent or connivance or where you have not acted diligently.

6.4 You shall not serve as an Independent Director in more than seven listed companies. If you are a whole-time Director in any listed company, you may serve as Independent Director in not more than three listed companies.

6.5 It may be noted that under Section 167 (1) (b) of the Companies Act, 2013 the office of a Director shall become vacant in case he absents himself from all the meetings of the Board held during a period of twelve months with or without seeking leave of absence of the Board. A copy of Section 167 is attached.

7. Professional Conduct:

As an Independent Director, you shall:

- (a) uphold ethical standards of integrity and probity;
- (b) act objectively and constructively while exercising your duties;
- (c) exercise your responsibilities in a bona fide manner in the interest of the Company;
- (d) devote sufficient time and attention to your professional obligations for informed and balanced decision-making;
- (e) not allow any extraneous considerations that may vitiate your exercise of objective independent judgement in the paramount interest of the Company

- as a whole, while concurring in or dissenting from the collective judgement of the Board in its decision-making;
- (f) not abuse your 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;
 - (g) refrain from any action that could lead to a loss of your independence;
 - (h) ensure that if circumstances arise under which you may lose your independence, you will immediately inform the Board accordingly;
 - (i) assist the Company in implementing the best corporate governance practices.

8. Code of Conduct and Ethics

- 8.1** You will follow the Company's Code of Conduct and Ethics and furnish an annual affirmation of the same.
- 8.2** You will apply the highest standards of confidentiality and not disclose to any person (whether during the course of your tenure as Independent Director or at any time after its cessation) any confidential information concerning the Company or any persons which may come to your knowledge/into your possession by virtue of your position as a Director, except as required or permitted by law or with prior clearance from the Chairman.

9. Prohibition on Insider Trading/ Forward Dealings

- 9.1** You will follow the Company's Code of Conduct for Prevention of Insider Trading and requirements under the Companies Act, 2013 and SEBI Regulations, which *inter alia* require that price-sensitive information relating to the Company is not used or transmitted and is maintained securely.
- 9.2** You should not make any statements that might risk a breach of these requirements without prior clearance from the Chairman of the Company or the Company Secretary.
- 9.3** You should not discuss the deliberations at meetings of the Board or any Committee thereof with any third parties or disseminate any such deliberations or decisions made at any such meeting.

9.4 Section 194 of the Companies Act, 2013 prohibits a Director from making forward dealings in the securities of the Company or its holding, subsidiary or associate companies and Section 195 prohibits a Director from entering into any insider trading in the Company's securities.

10. Separate meetings of Independent Directors:

Clause 49-II-B-6 of the Listing Agreement with the BSE Ltd. (to be operative from 1st October, 2014) provides that 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. All the Independent Directors of the Company are required to strive to attend such meetings. In such meetings, the Independent Directors shall, *inter alia*, review the performance of non-Independent Directors and the Board as a whole; review the performance of the Chairperson of the Board, taking into account the views of Executive Directors and non-Executive Directors; and assess the quality and quantity of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

11. Evaluation Processes

Your performance evaluation shall be carried out by the Board of Directors annually, without your participation. You will participate in reviewing the performance of non-Independent Directors and the Board as a whole, performance of the Chairman and other Independent Directors.

12. Technology

12.1 You may give your consent by advance notification to the Chairman or Company Secretary to participate in any meetings of the Board or Committee of Directors, when necessary through video conferencing or other audio visual means, except for matters not to be so dealt under the Companies Act, 2013.

12.2 When necessary, you can also participate through telephone, electronic mail or any other technology which permits you to communicate with every

other Director, though such participation would not be reckoned as attending meetings under the Companies Act, 2013 except as provided for otherwise in the said Act and Rules thereunder.

13. Availability of Directors and Officers Liability Insurance

The Company has obtained Directors and Officers Liability Insurance Policy and it is intended to maintain such cover for the full term of your appointment. A photocopy of the current policy is enclosed for your information.

14. Remuneration and Reimbursement of Expenses

14.1 You will be entitled to sitting fee for attending the meetings of the Board and of the Committees thereof either personally or through video conference or other audio-visual means as may be decided by the Board of Directors. The fee payment shall be subject to applicable tax deduction at source. Currently, the sitting fees are as follows:

Sr. No.	Particulars	Sitting fee per meeting attended (Amount in Rs.)
1	Board of Directors Meeting	20000
2	Audit Committee of Directors Meeting	20000
3	Nomination and Remuneration Committee of Directors Meeting	20000
4	Corporate Social Responsibility Committee of Directors Meeting	20000
5	Stakeholders Relationship Committee of Directors Meeting	10000
6	Finance and Capex Committee Meeting of Directors Meeting	20000

14.2 You will be also entitled to remuneration by way of commission, as approved by the Board of Directors, within the overall limits approved by the shareholders and subject to the applicable legal provisions. The commission

payment shall be subject to applicable tax deduction at source.

14.3 You will be entitled to reimbursement of expenses incurred by you for participation in the Board, Committee and members' meetings.

14.4 As provided in Section 149 (9) of the Companies Act, 2013, you will not be entitled to any stock option which may be offered by the Company.

15 General

15.1 All the terms as mentioned above including your appointment, remuneration, professional conduct, role and functions, duties and evaluation shall be governed by the Companies Act, 2013 and Rules made thereunder and Corporate Governance requirements under the Listing Agreement, as amended from time to time.

15.2 This letter and any other non-contractual obligations arising out of or in connection with this letter and your Directorship are governed by and shall be construed in accordance with the laws of India and the provisions of the Listing Agreement and subject to the exclusive jurisdiction of the Courts in Vadodara, India.

15.3 In line with the provisions of Schedule IV to the Act, your individual letter of appointment will be open for inspection by any member and the Company will also post the generic copy of this letter on the Company's website.

We look forward to your continued valued participation in the Board/Committees' deliberations and successful guidance to the Company.

Please confirm your acceptance of the letter by signing and returning the second copy of this letter.

Yours faithfully,

For TRANSEK INDUSTRY LIMITED

(A.C.SHROFF)

Chairman

DIN: 00019952

I confirm, accept and agree to the terms of my appointment as an Independent Director as set out in this letter.

Independent Director
DIN: