



INDIAN EXTRACTIONS LIMITED

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CODE OF CONDUCT FOR MEMBERS OF BOARD AND SENIOR MANAGEMENT

1. Introduction:

The Board of Directors (The “Board”) of Indian Extractions Limited (“the Company”) has adopted the following Code of Conduct for the members of Board and senior management. The Board may review and amend this Code of Conduct from time to time.

This Policy will be in terms of Regulation 17 (5) (a) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”).

2. Policy Objective:

To determine the Code of Conduct for members of Board and senior management of the Company.

3. Interpretation of the Policy:

All the Words and expressions used in this Policy, unless defined hereinafter, shall have meaning respectively assigned to them under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in the absence of its definition or explanation therein, shall have meaning as per the Companies Act, 2013 and the Rules, Notifications and Circulars made/issued thereunder, as amended from time to time.

4. Definitions:

“**Act**” shall mean the Companies Act, 2013 and the Rules framed thereunder, including any modifications, clarifications, circulars or re-enactment thereof.

“**Company**” means Indian Extractions Limited.

“**Members of Board or Board of Directors or Board**” means the Board of Directors of Indian Extractions Limited, as constituted from time to time.

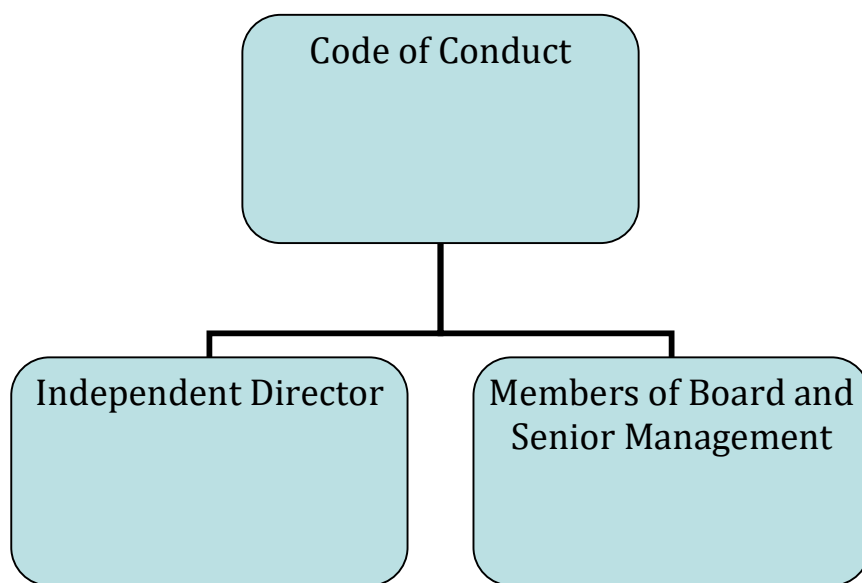
“**Code of Conduct**” means Code of Conduct for members of Board and Senior management and Independent Directors.

“**Independent Director**” means a Director of the Company, not being a whole time Director who is neither a promoter nor belongs to the promoter group of the Company and who satisfies other criteria for independency as laid down under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

“**Senior Management**” shall mean officers/personnel of the Company who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the executive directors, including all functional heads.

“**Conflict of Interest**” means to dealing in the shares of listed entity, commercial dealings with bodies, which have shareholding of management and their relatives etc.

5. **Code of Conduct:**



INDEPENDENT DIRECTOR

Guidelines for Independent Directors:

- (a) A person shall not serve as an Independent Director in more than seven listed entities provided that any person serving as a Whole time Director in any Listed Company shall serve as an Independent Director in not more than three Listed Entities.
- (b) The Maximum tenure of the Independent Director shall be in accordance with the Companies Act, 2013 and rules made thereunder, in this regard, from time to time.

Duties of Independent Director:

- (a) The independent directors of the Company shall hold at least one meeting in a year, without the presence of non-independent directors and members of the management and all the independent directors shall strive to be present at such meeting.
- (b) The independent directors in the meeting referred above shall, inter alia-
 - review the performance of non-independent directors and the board of directors as a whole;
 - review the performance of the chairperson of the Company, taking into account the views of executive directors and non-executive directors;
 - Assess the quality, quantity and timeliness of flow of information between the management of the Company and the board of directors that is necessary for the board of directors to effectively and reasonably perform their duties.

Liabilities of an Independent Director:

An independent director shall be held liable, only in respect of such acts of omission or commission by the Company which had occurred with his knowledge, attributable through processes of board of directors, and with his consent or connivance or where he had not acted diligently with respect to the provisions contained in these regulations.

Formal Appointment letter:

[Date]

To,
[Name of Independent Director ('ID')]
[Address of ID]

Dear [Name of ID],

**Sub: Appointment as an Independent Director of Indian Extractions Limited
("The Company")**

On behalf of the Company, we are pleased to confirm your appointment as an Independent Director of the Company (the "Appointment") with effect from [•]. The terms of the Appointment, shall be subject to applicable laws including the Companies Act, 2013 and the rules made there under, the Articles of Association of the Company and the Listing Agreements entered with Stock Exchanges where the equity shares of the Company are listed and on conditions as set out herein under.

Pursuant to your confirmation, we are pleased to confirm that upon the recommendation of Nomination and Remuneration Committee, the Board has approved your appointment as an Independent Director on the Board of the Company subject to the approval of Shareholders of the Company in the ensuing Annual General Meeting.

Subject to the detailed terms of this letter, your Appointment as an Independent Director will be for a period of five years from [•] but you may be re-appointed thereafter as may be permitted and in accordance with the provisions of the Companies Act, 2013.

Terms of Appointment:

1. The Appointment is for a term of five years and will expire on [•] (the "Termination Date"). You may be reappointed as may be permitted and in accordance with the provisions of the Companies Act, 2013. You shall act as an Independent Director of the Company in accordance with the applicable laws including the Companies Act, 2013 and the Company's Articles of Association (a copy of which has been provided to you), Listing Agreements and any necessary resolution(s) of the Board and the Shareholders.
2. As an Independent Director, you will not be liable to retire by rotation.

3. Apart from receiving director's remuneration (i.e. sitting fee, commission and reimbursement of expenses, etc.), you shall not have any pecuniary relationships or transactions with the Company, its holding, subsidiaries or associate companies or their promoters or directors or the senior management of the Company during your tenure of appointment.
4. You shall ensure that none of your relatives shall have any pecuniary relationship or transaction with the Company or its holding, subsidiary or associate company or their promoters or directors, amounting to two percent or more of its gross turnover or total income or Rs. 50 lacs or such higher amount as may be prescribed under the Companies Act, 2013, whichever is lower.
5. The expectations of the Board, time commitment, roles, functions, duties, liabilities, etc., are stated in the Annexure – I to this letter.
6. You shall comply with the requirements of the Companies Act, 2013, SEBI Act, Rules and Regulations and in particular, with SEBI (Prohibition of Insider Trading) Regulations, 1992 (As amended) and SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (As amended).
7. Notwithstanding the other provisions of this letter, the Appointment may be terminated at any time by a written notice of resignation or by the Company in accordance with the provisions of the Companies Act, 2013. It is desirable that the Company be given reasonable notice of any intention to resign so that the Company can plan for succession by inducting new Independent Director, if need be of a requisite skills and experience on the Board. Upon such termination or resignation for any reason, no damages shall be payable for any loss of office and no fee will be payable in respect of any unexpired portion of the term of the Appointment.
8. This letter shall be open for inspection at the Registered Office of the Company by any member during normal business hours. Further, the terms and conditions of this appointment shall also be posted on the Company's website. If applicable, a copy of this letter shall also be forwarded to the Stock Exchanges.
9. This letter is governed by the Companies Act, 2013 and applicable laws of India and any dispute arising out of this Appointment shall be subject to the exclusive jurisdiction of the Courts of Mumbai City, Maharashtra, India.
10. Please confirm your agreement to the above by signing and returning the enclosed duplicate of this letter.

Yours sincerely,

**For and on behalf of Board
Indian Extractions Limited**

**Priyam S. Jhaveri
Chairman & Managing Director**

I have read and agree to the above terms and conditions regarding my appointment as an Independent Director of Indian Extractions Limited.

[Name of ID]

Annexure - I

Expectations of the Board:

Office of Independent Director is a very important position in the Company. In order to derive optimally from the rich experience of an Independent Director, the Board expects the following from an Independent Director that he/she shall-

- a) Comply with the provisions of the Companies Act 2013 and the rules made there under, including any statutory modification or amendment thereof and provisions of the Listing Agreement executed by the Company with Stock Exchanges as applicable to him/her as an Independent Director.
- b) Understand and carry out diligently, his roles & functions and duties as provided under Schedule IV to the Companies Act 2013.
- c) Adhere to the code of conduct of the Company for the members of the Board and Senior Management as laid down by the Board and confirm adherence of the same on an annual basis.
- d) Shall avoid conflict of interest with the overall interest of the Company.
- e) Shall apply the highest standards of confidentiality and not disclose to any person or entity (whether during the course of the Appointment or at any time after its termination) any confidential information concerning the Company and any group Companies which may come to know by virtue of his position as Independent Director of the Company.
- f) Shall act diligently and in good faith for the interest of the Company.

Appointment in Board Level Committees and its tasks:

During the tenure as Independent Director, you may be requested to serve on one or more committee(s) of the Board such as Audit Committee, Stakeholders' Committee, Nomination and Remuneration Committees, Corporate Social Responsibility Committee etc. You are expected to carry out duties/tasks as member/chairman of such Committee(s) of the Board as per the terms of reference of such committee(s).

Time Commitment:

It is difficult to be precise about the time commitment that may be required from an Independent Director but the Company expects a commitment of reasonable time and attention as necessary in order to perform the duties of an Independent Director. This

includes attendance at regular and emergency Board meetings, Committee Meetings, separate meeting of Independent Directors of the Company and also at any Annual/Extraordinary General Meeting or such other shareholders or class meetings.

Role, Functions and Duties:

An Independent Director is required to fulfill the duties of the directors including all the fiduciary duties as are prescribed under Section 166 of the Companies Act, 2013.

Further as an Independent Director, one must also fulfill the following functions:

- a) help in bringing an independent judgment to support on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- b) bring an objective view in the evaluation of the performance of the Board and management;
- c) scrutinize the performance of the management in meeting agreed goals and objectives and monitor the reporting of performance;
- d) satisfy oneself on the integrity of financial information and that financial controls and the systems of risk management are in commensurate with the size and nature of the business of the Company;
- e) safeguard the interests of all stakeholders, particularly the minority shareholders;
- f) balance the conflicting interest of the stakeholders;
- g) 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;
- h) Moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.

An Independent Director has the following duties:

- a) undertake appropriate induction and regularly update and refresh his 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) participate constructively and actively in the committees of the Board in which one is a chairperson or member;

- d) where one 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;
- e) keep oneself well informed about the Company and the external environment in which it operates;
- f) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- g) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure oneself that the same are in the interest of the Company;
- h) 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;
- i) report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
- j) while acting within authority, assist in protecting the legitimate interests of the Company, its shareholders and employees;
- k) not disclosing any 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.

Code of Business Ethics that the Company expects from its Directors and employees to follow:

The Company has formulated a detailed Code of Conduct for the Board of Directors and Senior Employees of the Company. An Independent Director is required to abide by such Code of Conduct.

The list of actions that a Director should not do while functioning as such in the Company:

The Director shall not:-

- a) Misuse the information in his/her possession
- b) Engage in any way (directly or indirectly) in any activity having conflict of interest with that of the Company.
- c) Break any law of the land or indulge or provoke the co-directors or employees to do the same.
- d) Enter into any contract or arrangement wherein he is directly or indirectly interested as per the provisions of the Companies Act 2013.
- e) A Director of 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.

The above list is only indicative and not exhaustive

Details of remuneration:

Independent Directors shall be paid sitting fees, as may be determined by the Board from time to time, for participating in the meetings of Board, Committee meetings and other meetings. The out of pocket expenses reasonably incurred by the Directors for attending the Board or Committee meetings or any other work of the Company shall be reimbursed.

Independent Directors may be entitled to commission as may be decided by the Board from time to time, subject to approval of the members of the Company.

Liability:

An Independent Director is liable for accompanying liabilities which are associated with that position. Noncompliance with any applicable law including the Companies Act could attract punishment / liabilities under the Companies Act 2013 including with respect to the provisions of Section 166 of the Companies Act 2013

As per the provisions of the Companies Act, 2013, Independent Directors shall be held liable, only in respect of such acts of omission or commission by the Company which had occurred with their knowledge, attributable through Board processes, and with their consent or connivance or where they had not acted diligently.

Confidentiality:

An Independent Director must apply the highest standards of confidentiality and must not disclose to any person or company (whether during the course of the Appointment or at any time thereafter), any confidential information concerning the Company and any Group Companies with which the Director comes to into contract by virtue of his/her position as an Independent Director of the Company.

Training:

The Company shall provide suitable training to Independent Directors to familiarize them with the Company, their role, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc.

Performance Review Process:

Performance evaluation of Independent Director shall be done by the entire Board of Directors, excluding the director being evaluated and on the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the Independent Director.

Miscellaneous:

- a) Independent Director shall give annual declaration required under the provisions of Section 149(7) of the Companies Act 2013 and rules framed there under
- b) An Independent Director shall not serve as an Independent Director in more than seven listed companies or such number of listed companies as may be stipulated by the listing agreement or any other law of the land, for the time being in force.
- c) Further, an Independent Director who is serving as a Whole-Time Director in any listed company shall not serve as an Independent Director in more than three listed companies or such number of listed companies as may be stipulated by the listing agreement or any other law of the land, for the time being in force.

Vacancy arises due to Resignation or Removal of an Independent Director:

An independent director who resigns or is removed from the board of directors of the Company shall be replaced by a new independent director by Company at the earliest but not later than the immediate next meeting of the board of directors or three months from the date of such vacancy, whichever is later: Provided that where the Company fulfils the requirement of independent directors in its board of directors without filling the vacancy created by such resignation or removal, the requirement of replacement by a new independent director shall not apply.

BOARD AND SENIOR MANAGEMENT**Guidelines for Board members:**

A director shall not be a member in more than ten committees or act as chairperson of more than five committees across all listed entities in which he is a director which shall be determined as follows:

- (c) the limit of the committees on which a director may serve in all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 shall be excluded;
- (d) For the purpose of determination of limit, chairpersonship and membership of the audit committee and the Stakeholders' Relationship Committee alone shall be considered.
- (e) Every director shall inform the listed entity about the committee positions he or she occupies in other listed entities and notify changes as and when they take place.

Duties of Board Members & Senior Management:

- (a) All members of the board of directors and senior management personnel shall affirm compliance with the code of conduct of board of directors and senior management on an annual basis.

- (b) Non-executive directors shall disclose their shareholding, held either by them or on a beneficial basis for any other persons in the listed entity in which they are proposed to be appointed as directors, in the notice to the general meeting called for appointment of such director
- (c) Senior management shall make disclosures to the board of directors relating to all material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the listed entity at large.

**BY THE ORDER OF THE BOARD
FOR INDIAN EXTRACTIONS LIMITED**

**SD/-
PRIYAM SHANTILAL JHAVERI
CHAIRMAN & MANAGING DIRECTOR**
