

MODISON
METALS LIMITED

33 - NARIMAN BHAVAN, 227 - NARIMAN POINT,
MUMBAI - 400 021. INDIA
TEL : +91-22-2202 6437 FAX: +91-22-2204 8009
E-MAIL : sales@modison.com WEB : www.modison.com
CIN NO : L51900MH1983PLC029783



MML: 2015: 311
November 2nd, 2015

MR. ASHOK JATIA
212-B, GRAND PARADI,
AUGUST KRANTI MARG,
KEMPS CORNER,
Mumbai, 400036.

Appointment as Independent Director of Modison Metals Ltd.

Dear Madam,

In terms of Section 149(4) read with Schedule IV of the Companies Act, 2013, we hereby, advise that, the Board of Directors of Modison Metals Ltd. at its meeting held on 02.11.2015 has appointed you as Independent Director on the Board of the Company on the following terms and conditions:

- (i) Your initial term as Independent Director will be for 5 (five) consecutive years beginning w.e.f. 2nd November, 2015. You will however be eligible for reappointment for not more than one term of consecutive 5 (five) years subject to the approval of members at General Meeting and on the basis of your annual performance evaluation to be conducted by the Board of Directors. As Independent Director, you will not be liable to retire by rotation.
- (ii) You will be a member/ chairman of following Board Committees of the Company (committee membership shall be subject to change by the Board from time to time):

<u>Name of Committee</u>	<u>Position</u>	<u>Brief Terms of Reference</u>
Audit Committee of the Board	Member	The Audit Committee acts as an intermediary between the management and the Statutory and Internal Auditors overseeing the internal audit functions of the Audit Committee are set out under the Companies Act, 2013 and clause 49 of the listing agreement.

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Remuneration & Nomination Committee	& Member	Remuneration and Nomination Committee undertakes a process of due diligence to determine the 'fit and proper' status of existing Directors elected, and the persons to be elected as Directors, by shareholders. It also carries out functions given under Section 178 of the Companies Act, 2013. Remuneration and Nomination Committee will also consider and approve the payment of Directors Remuneration for Managing Director and Wholetime Director as well as carry on other functions given in Section 178 of the Companies Act, 2013.
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- (iii) The Board expects you to follow the Professional Conduct for the Independent Directors provided under Schedule IV of the Companies Act, 2013 during your tenure in the Company as an Independent Director (Copy of the extracts from Schedule IV is enclosed at Annexure I), and not to do any act contrary to the professional conduct.
- (iv) You are also requested to kindly read the Roles and Functions as well as Duties of Independent Directors as given under Schedule IV of the Companies Act, 2013 (copy at Annexure I), and follow the same during your tenure as Independent Director of Modison Metals Limited.
- (v) In terms of the Remuneration Policy of the Company, you will be paid sitting fees for attending the Board and Board Committee meetings at the rate of ₹ 10,000/- for each meeting of the Board, and Committee meetings, in case you are a member of these committees. The expenses on your travel, local transport as well as accommodation for attending the meetings will be borne by the Company. Apart from the above, you will not be entitled to any other remuneration as Independent Director of the Company.

We wish you all the best for your role as Independent Director of the Company.

Thanking you,

Yours faithfully,
For **MODISON METALS LIMITED**,


G.L. Modi
Managing Director

SCHEDULE IV

[See section 149(8)]

CODE FOR INDEPENDENT DIRECTORS

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of independent directors.

I. Guidelines of professional conduct:

An independent director shall:

- (1) uphold ethical standards of integrity and probity;
- (2) act objectively and constructively while exercising his duties;
- (3) exercise his responsibilities in a *bona fide* manner in the interest of the company;
- (4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- (5) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- (6) not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- (7) refrain from any action that would lead to loss of his independence;
- (8) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- (9) assist the company in implementing the best corporate governance practices.

II. Role and functions:

The independent directors shall:

- (1) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- (2) bring an objective view in the evaluation of the performance of board and management;
- (3) scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- (4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- (5) safeguard the interests of all stakeholders, particularly the minority shareholders;
- (6) balance the conflicting interest of the stakeholders;
- (7) determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- (8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

