BSL ALUMINIUM LIMITED

CODE

FOR

INDEPENDENT

DIRECTORS

SCHEDULE IV
[See section 149(8)]
CODE FOR INDEPENDENT DIRECTORS

This Code is a guide to professional conduct for Independent Directors. Adherence to these standards by Independent Directors and the fulfillment of their responsibilities in a professional and faithful manner will promote the 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 duties.
3. Exercise his responsibilities in a bona fide manner in the interest of the company.
4. Devote sufficient time and attention to professional obligations for informed and balanced decision-making.
5. Not allow extraneous considerations that will compromise 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 or her position to the detriment of the company or its shareholders, or to gain direct or indirect personal advantage or advantage for any associate person.
7. Refrain from any action that would lead to a loss of independence.
8. Where circumstances arise which make an Independent Director lose his his independence, the Independent Director Immediately inform the Board accordingly.
9. Assist the company in implementing the best corporate governance practices.

II. Role and Functions

An Independent Director shall:

1. Help bring 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 the Board and management.
3. Scrutinize 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 ensure 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 stakeholders.
7. Determine appropriate levels of remuneration of executive directors, key managerial personnel, and senior management, and play a prime role in appointing and, where necessary, recommending 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 interest.

III. Duties

An Independent Director shall:

1. Undertake appropriate induction and regularly update and refresh their skills, knowledge, and familiarity with the company.
2. Seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice.
3. Strive to attend all meetings of the Board and its committees of which they are members.
4. Participate constructively and actively in committees of the Board.
5. Strive to attend the general meetings of the company.
6. Where they have concerns about the running of the company or a proposed action, ensure these are addressed by the Board and, to the extent they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting.
7. Keep themselves well informed about the company and the external environment in which it operates.
8. Not unfairly obstruct the functioning of an otherwise proper Board or committee.
9. 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.
10. Ascertain and ensure that the company has an adequate and functional vigil mechanism and ensure that the interests of a person who uses such mechanism are not prejudicially affected.
11. Report concerns about unethical behaviour, actual or suspected fraud, or violation of the company’s code of conduct or ethics policy.
12. Acting within authority, assist in protecting the legitimate interests of the company, shareholders, and its employees.
13. Not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unless such disclosure is expressly approved by the Board or required by law.

IV. Manner of Appointment

(1) Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.

(2) The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.

(3) The explanatory statement attached to the notice of the meeting for approving the appointment of an independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfils the conditions specified in the Act and the rules made there under and that the proposed director is independent of the management.

(4) The appointment of independent directors shall be formalized through a letter of appointment, which shall set out:

(a) the term of appointment; including the tenure and

(b) the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;

(c) the fiduciary duties that come with such an appointment along with accompanying liabilities;

(d) provision for Directors and Officers (D and O) insurance, if any;

(e) the Code of Business Ethics that the company expects its directors and employees to follow;

(f) the list of actions that a director should not do while functioning as such in the company; and

(g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.

(5) The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the company by any member during normal business hours.

(6) The terms and conditions of appointment of independent directors shall also be posted on the company's website.

V. Re-appointment

1. Re-appointment of Independent Directors shall be based on their performance evaluation and shall be subject to approval by shareholders.

VI. Resignation or Removal

1. Resignation or removal of an independent director shall be in the same manner as is provided in sections 168 and 169 of the Act.

2. The Independent Director who resigns or is removed from the Board shall be replaced by a new Independent Director within a period of not
3. more than one hundred and eighty days from the date of such resignation or removal as the case may be.
4. Where the company fulfils the requirement of independent directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

VII. Separate Meetings

1. The Independent Directors shall hold at least one meeting in a year without the attendance of non-independent directors and members of management.
2. All Independent Directors shall strive to be present at such meeting.
3. The meeting shall: (a) Review the performance of non-independent directors and the Board as a whole; (b) Review the performance of the Chairperson of the company, taking into account the views of executive and non-executive directors; (c) Assess the quality, quantity, and timeliness of the flow of information between the company management and the Board.

VIII. Evaluation Mechanism

1. The performance evaluation of Independent Directors shall be carried out by the entire Board of Directors (excluding the director being evaluated).
2. 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.