



# THE WESTERN INDIA COTTONS LTD

C.S.T.No.: 32120205715 C  
TIN No. : 32120205715  
PAN : AAAC 8519J  
CIN : L17115KL1954PLC0001709

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1<sup>st</sup> October 2014

To

Mr.R S Nair  
Managing Director  
Buena Vista Travels Pvt Ltd  
23 Swastik Chambers  
Sion Trombay Road, Chembur  
Mumbai- 400 071  
Tel No: 022 25222409

Dear Mr. Nair,

Sub.: Appointment as Independent Director of The Western India Cottons Ltd, Pappinisseri.

As recommended by the Board of Directors in their meeting held on 18.8.2014 and as approved by the Shareholders in their meeting held on 26<sup>th</sup> September, 2014 appointing you as Independent Director of the Company, you are hereby appointed as an Independent Director of the Western India Cottons Ltd from 18.8.2014 to 17.8.2019.


You will adhere strictly to the standards to be followed by Independent Directors and fulfill your responsibilities in a professional manner that enables faith to promote confidence of the investment community. You will also follow the Code for Independent Directors as contained in Schedule 4 of the Companies Act 2013 with particular reference to the guidelines for professional conduct, role, function and duties as an Independent Director. (Copy of relevant extract of Schedule 4 enclosed for ready reference.)

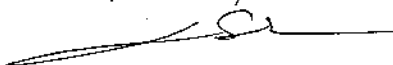
You will strictly adhere to the fiduciary duties related to such appointment and follow the Code of business ethics and conduct of the Company as approved by the Board of Directors.

You will be paid sitting fees for the Board Meetings/ Committee of Directors and any other meetings related to your function as a Director of the Company as per rules of the Company.

You will also be eligible for reimbursement of travelling and out of pocket expenses in connection with attending such meetings connected to the business of the Company outside your declared headquarters.

Thanking you for accepting this appointment as an Independent Director of the Company.

  
P.K.Shameem  
Managing Director

Accepted  


## 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.
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**III. Duties :**

The independent directors 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 and opinion of outside experts at the expense of the company;
- (3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- (4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (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 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;
- (7) keep themselves well informed about the company and the external environment in which it operates;
- (8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- (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 to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- (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 his 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, unpublished price sensitive information, 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 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 thereunder and that the proposed director is independent of the management.
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