



RTS Power Corporation Limited

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Date: 04.10.2014

Sri Bachhraj Begwani
C/o Bhutoria Brothers Limited
56 Netaji Subhas Road
Kolkata-700001

Subject: Letter of Appointment

Our Company is grateful to you for your kind decision to continue as an Independent Director of our Company. We are sure that the Company would continue to be enriched with your valuable guidance and suggestions in the course of your continued association with us as an Independent Director. We would be immensely benefited by your participation in the affairs of the Company and advice for the growth and development of the Company and all its stakeholders. As required under the Companies Act, 2013 and the revised Clause 49 of the Listing Agreement we are issuing this appointment letter to you covering the terms of your appointment. Kindly confirm your agreement to the above by signing and returning the enclosed duplicate copy of this letter.

1. The appointment has been made for a term of five consecutive years from the conclusion of the Company's 66th Annual General Meeting (AGM) held on 29th September, 2014 to the Company's 71st AGM to be held in the year 2019.
2. You will devote sufficient time to the affairs of the Company while functioning as an Independent Director as would be required to help the Company to achieve its objectives.
3. As per the legal provisions, you will discharge your duties as per the provisions of the Companies Act, 2013 read out with Rules made thereunder, Code of Conduct of Independent Directors as per Schedule IV of the Companies Act, 2013, revised Clause 49 of the Listing Agreement, Articles of Association and other statutes as may be applicable from time to time.

4. The Company has adopted Code of Conduct of the Company for its Directors and Senior Management Personnel which is applicable to Independent Directors also –a copy of which is enclosed. The code for Independent Directors as per Schedule IV of the Companies Act, 2013 is also enclosed and Independent Directors are expected to abide by the same.
5. As an Independent Director you will be expected not to:
 - (d) involve in a situation in which you may have a direct or indirect interest that conflicts, or possibly may conflict with the interest of the Company.
 - (e) achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives ,partners or associates and if you are found guilty of making any undue gain , you will be liable to pay an amount equal to the gain to the Company
 - (f) Assign your office and any assignment so made shall be void.
6. As per the provisions of the Companies Act, 2013 and the revised Clause 49 of the Listing Agreement, your performance as an Independent Director will be reviewed by the entire Board on annual basis.
7. The Company shall organize familiarization programs for Independent Directors from time to time as per the revised Clause 49 of the Listing Agreement
8. Your attention is drawn to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992 in respect of disclosure of price sensitive information. Consequently you should not make any statement and /or enter into any transaction that might risk a breach of these requirements.

Thanking you

Yours faithfully

For RTS Power Corporation Limited


Sardul Singh Jain
Chairman

CODE FOR INDEPENDENT DIRECTORS AS PER SCHEDULE IV OF COMPANIES ACT, 2013

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfillment 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) 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 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;

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;
- (4) The appointment of independent directors shall be formalized through a letter of appointment, which shall set out: -
 - (a) the term of appointment;
 - (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) provisions 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:

The re-appointment of independent director shall be on the basis of report of performance evaluation.

VI. RESIGNATION OR REMOVAL;

- (1) The 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) An independent director who resigns or is removed from the Board of the company shall be replaced by a new independent director within a period of not more than one hundred and eighty days from the date of such resignation or removal, as the case may be.
- (3) 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. SEPARTATE MEETINGS:

- (1) 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;
- (2) All the independent directors of the company 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 directors and non-executive directors;
 - (c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

VIII. EVALUATION MECHANISM:

- (1) The performance evaluation of independent directors shall be done 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.

REVISED CODE OF BUSINESS CONDUCT AND ETHICS FOR DIRECTORS & SENIOR MANAGEMENT STAFF OF RTS POWER CORPORATION LIMITED

As approved by the Board of Directors in the Meeting held on 30th September, 2014

The Company adopted a Code of Business Conduct and Ethics for Directors and Senior Management Staff in compliance with Clause 49 of the Listing Agreement with Stock Exchanges on 17th February, 2010 as approved by its Board of Directors in its Meeting held on 16th February, 2010.

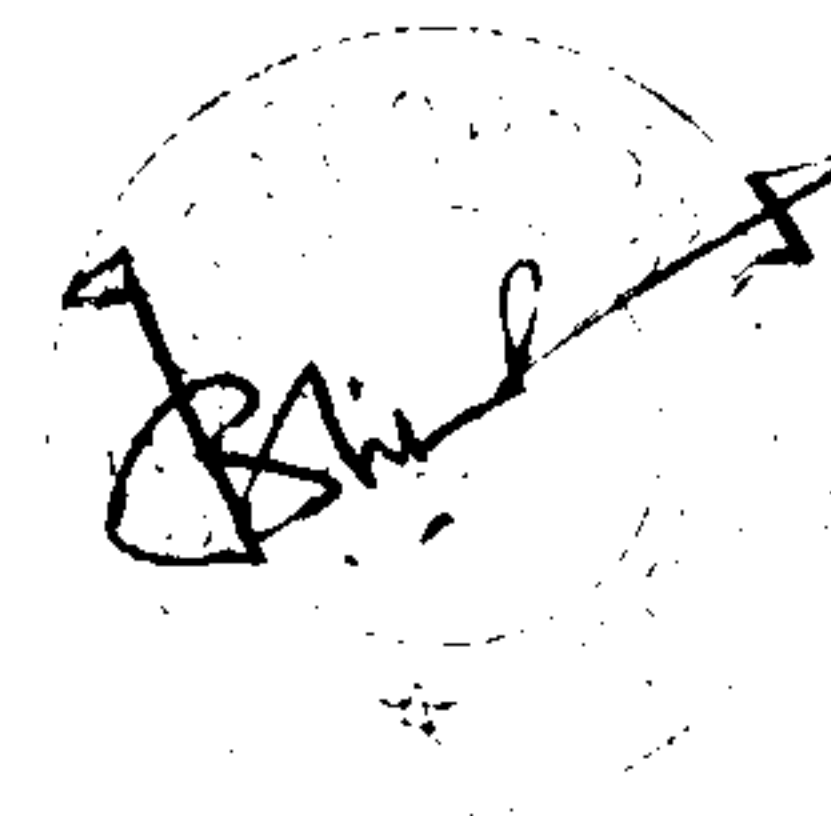
Securities and Exchange Board of India has amended Clause 49 of the Listing Agreement which will be applicable to all Listed Companies with effect from 1st October, 2014.

In view of such amendment, the earlier Code of Conduct warrants revision and accordingly the following revised Code of Business Conduct and Ethics for Directors and Senior Management Staff has been prepared in line with such amendments and approved by the Board of Directors of the Company in its Meeting held on 30th September, 2014

1. Introduction

This Code of Conduct applies to:

- (a) the Directors of the Company (the word " Directors " include " Independent Directors" wherever it appears herein below)
- (b) personnel of the Company who are members of its Core Management Team excluding the Board of Directors .It will also apply to all Members of Management one level below the Executive Directors, including all Functional Heads hereinafter collectively referred to as Senior Executives ;and
- (c) any other employee or Officer of the Company who by virtue of his position may materially influence the integrity, strategy and operation of the business and financial performance of the Company .

A circular stamp with a handwritten signature in the center. The signature appears to be 'B. S. S.' or similar. The stamp is partially faded and has some illegible text around the perimeter.

2. Purpose

The purpose of this Code of Conduct is to:

- (a) articulate the high standards of honesty ,integrity ,ethical and law abiding behavior expected of Directors and Senior Executives;
- (b) encourage the observance of those standards to protect and promote the interests of shareholders and other stakeholders (including employees, customers, suppliers and creditors);
- (c) help Directors and Senior Executives in following the practices necessary to maintain confidence in the Company's integrity and reputation ;and
- (d) earmark the responsibility and accountability of Directors and Senior Executives to report and investigate any reported violations of this Code or any other unethical or unlawful behavior;
- (e) ensure that the business practices of the Company create a high level of confidence amongst its stakeholders (including employees, customers, suppliers and creditors).

3. Honesty and Integrity

3.1 Directors and Senior Executives shall act honestly and with integrity in all of their dealings for the Company.

3.2 Directors and Senior Executives will not discriminate on the grounds of a person's race, religion , gender or marital status .

3.3 Directors and Senior Executives will not make promises or commitments that the Company does not intend, or would be unable to honour.

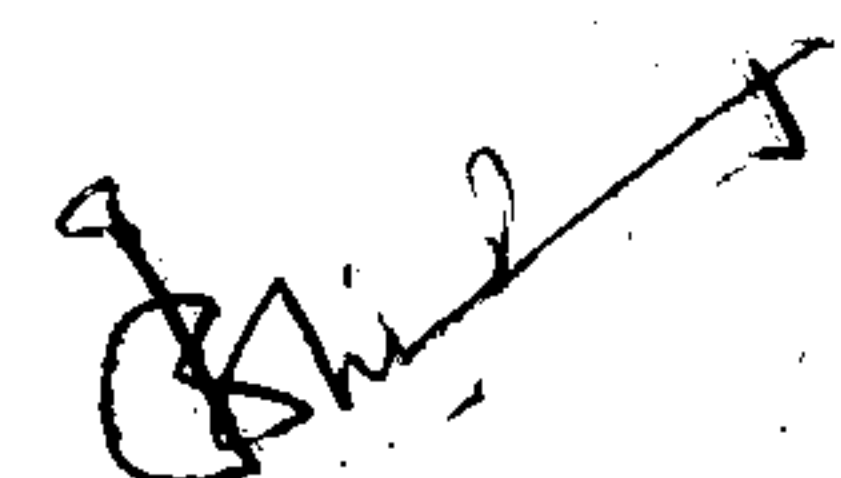
3.4 Directors and Senior Executives shall adhere to the truth and they should not mislead directly or indirectly nor make any false statement, nor mislead by omission.

4. Personal Transactions

4.1 Directors and Senior Executives' personal or their other business dealings will be kept separate from their official dealings as a Director or employee of the Company.

4.2 Directors and Senior Executives shall not use the name of the Company to further any personal or their other business transactions unrelated to the Company.

4.3 Directors and Senior Executives shall use goods, services and facilities provided to them by the Company, strictly in accordance with the terms on which they are provided.



5. Confidentiality of Information

5.1 Directors and Senior Executives will ensure that confidential information relating to customers, employees and Company's operations is not given either inadvertently or deliberately to third parties, except to the extent necessary for the Company's business, without the consent of the Company.

5.2 Directors and Senior Executives will not use the Company information obtained by them for personal gain, financial or otherwise, nor will that information be used to obtain financial or other benefits for any other person or business.

5.3 Directors and Senior Executives shall respect the privacy of others.

6. Disclosure of Interests

6.1 Directors and Senior Executives shall fully disclose their active private or other business interests promptly and any other personal matters which may lead to potential or actual conflicts of interest with the Company.

6.2 Directors and Senior Executives' dealings with the Company must always be at arms length to avoid the possibility of actual or potential conflict of interest.

7. Duties of Independent Directors

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

8. Protection and proper use of assets

8.1 The Company expects each Director and Senior Executive to use all reasonable endeavors to protect the Company assets and to ensure its efficient use.

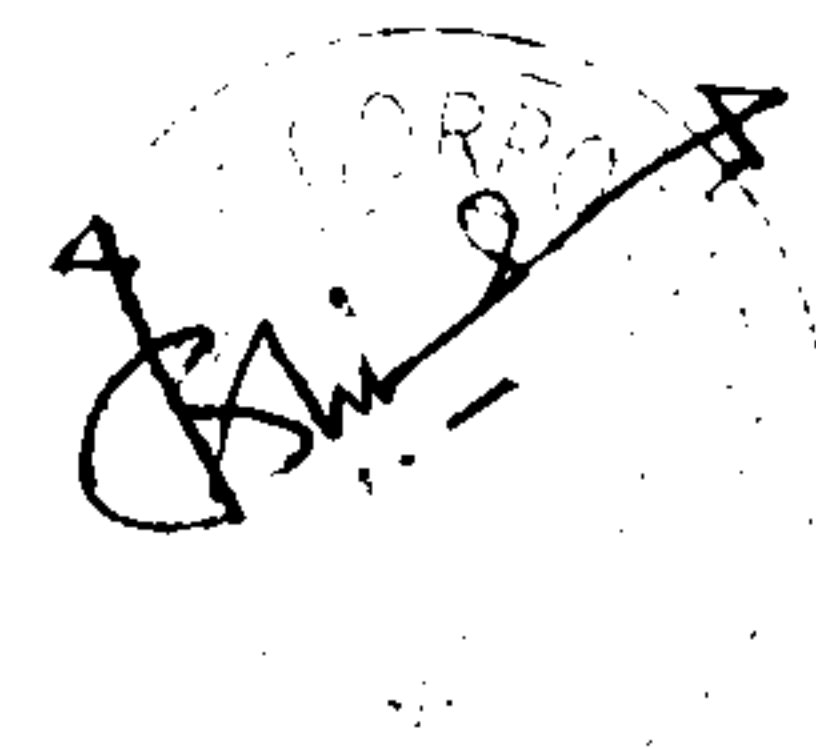
8.2 A Director or Senior Executive may only use a Company asset (for example ,a product, vehicle ,computer or money) for legitimate business purposes.

8.3 Each Director and Senior Executive must immediately report any suspected fraud or theft of a Company asset for investigation .

9. Compliance with Laws, Regulations , Policies and Procedures

Each Director and Senior Executive must:

- (a) comply with the letter and spirit of any applicable Law ,Rules or Regulations;
- (b) comply with the Protocols ,Policies and Procedures of the Company ,including its Corporate Code of Conduct and Code of Conduct for Insider Trading ;and
- (c) encourage other Officers and employees to do the same.



10. Reporting of any illegal or unethical behavior

Directors and Senior Executives are encouraged to promptly contact the Chairman of the Board or Audit Committee or the Managing Director or Whole-time Director or the Compliance Officer if any Director and Senior Executive believes that he has observed illegal or unethical behavior by any employee, Officer or Director, or by anyone purporting to be acting on the Company's behalf. Any such reports may be made anonymously. Confidentiality will be maintained, to the extent permitted by Law. Adequate safeguards against victimization of Directors and Senior Executives who make such reports will be provided.

11. Payments, Gifts, Entertainment and Travel

11.1 Directors and Senior Executives shall not use their status to seek personal gain from those doing business or seeking to do business with the Company.

11.2 Directors and Senior Executives shall not accept any personal gain of any material significance, if offered.

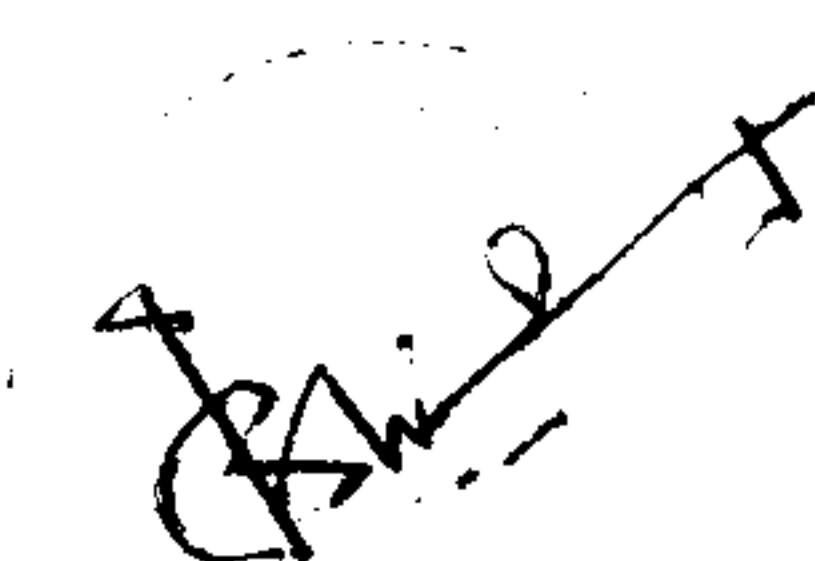
12. Disciplinary Action

Directors and Senior Executives are subject to disciplinary action for violations of this Code of Conduct. Subject to and in accordance with the Company's Rules/Bye Laws the Board of Directors shall determine the appropriate disciplinary action for violations of this Code of Conduct.

13. Waivers and Modifications

Waivers of this Code of Conduct will be granted only when determined to be appropriate under the circumstances and in accordance with the applicable law, and only upon approval by the Board of Directors or an authorised Committee thereof. Subject to the foregoing, this Code of Conduct is subject to modification by the Board of Directors at any time in order to ensure continued compliance with applicable Laws, Rules and Regulations.

Independent Directors and Non-executive Directors, not being Promoter or Key Managerial Personnel, shall be held liable, only in respect of such acts of omission or commission by a Company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he had not acted diligently with respect to the provisions contained in the Companies Act, 2013 and Rules made thereunder and Listing Agreement.




14. General

Every Director shall perform his duties as a Director, including his duties as a Member of any Committee of the Board of Directors upon which he may serve, in good faith, in a manner he reasonably believes to be in Company's best interests, and with such care as an ordinarily prudent person in a like position would use under similar circumstances.

By Order of the Board of Directors

Place: Kolkata
Date: 1st October, 2014


J. Biswas
Compliance Officer