



**METRO BRANDS LIMITED**

**TERMS & CONDITIONS OF APPOINTMENT OF INDEPENDENT  
DIRECTORS**

(Date)

(Name of the Director)

(Address)

**Re: Your Appointment as a Non-Executive Independent Director at Metro Brands Limited**

Dear (Name of the Director),

We are pleased to inform you that, as per the recommendation of the Nomination, Remuneration and Compensation Committee, the Board of Directors of the Company, in a meeting held on (date of the Board Meeting), approved your appointment as an Independent Director of the Company.

The Board is confident that your expertise, industry acumen, and unwavering commitment to excellence is an invaluable addition to our team. Your insights and perspectives will be pivotal in guiding our strategic decisions and will play a crucial role in propelling our continued growth and success.

We thank you for your confirmation to the Company that you meet the "independence" criteria as envisaged in Section 149(6) of the Companies Act, 2013 ("Act") and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("SEBI Listing Regulations").

This letter is being issued to comply with the requirements of Schedule IV of the Act pertaining to the Code of Conduct for Independent Directors and outlines the broad terms of your appointment as below. The terms of your appointment are subject to the extant provisions of the (i) applicable laws, including the Act and SEBI Listing Regulations and (ii) Articles of Association of the Company.

**1. Term**

In accordance with the provisions of the Act, SEBI Listing Regulations and other relevant laws, you will serve as an Independent Director on the Board for an initial term of five (5) years effective from the date of your appointment i.e. (date of the appointment). Your appointment is subject to shareholder's approval.

METRO BRANDS LIMITED

Registered Office:  
401, Zillion, 4th Floor,  
LBS Marg & CST Road Junction,  
Kurla (W), Mumbai - 400070.  
Tel: +91 22 6656 0444

Email: [info@metrobrands.com](mailto:info@metrobrands.com)  
Website: [www.metrobrands.com](http://www.metrobrands.com)

CIN: L19200MH1977PLC019449  
ISO 9001: 2015 Company

You may be re-appointed for a further term of five (5) years, subject to the approval of shareholders. As an Independent Director, you will not be liable to retire by rotation. You may be requested to become a Member / Chairperson of any one or more Committees of the Board.

## **2. Code of Conduct, Duties, and Responsibilities**

As member of the Board, you along with the other Directors will be collectively responsible for meeting the objectives of the Board which include:

- i. Requirements under the Act and SEBI Listing Regulations; and
- ii. Accountability under the Director's Responsibility Statement;

You shall abide by the Company's Code of Conduct for Board members & Senior Management ("**Company's Code of Conduct**") which also includes Code of Conduct for Independent Directors. For your ready reference, the relevant provisions of Company's Code of Conduct is enclosed with this letter as **Annexure A**.

You are requested to sign a confirmation of acceptance of the Company's Code of Conduct, as adopted by the Board, on an annual basis.

## **3. Disclosures**

During the Term, you are requested to promptly notify the Company of any change in your directorship and provide such other disclosures and information as may be required under the applicable laws. You are requested to promptly provide a declaration under Section 149(7) of the Act with respect to any change in circumstances which may affect your status as an Independent Director.

You will be responsible for ensuring compliance with other provisions of the Act and SEBI Listing Regulations that are applicable to you as an Independent Director.

## **4. Remuneration**

You will receive Sitting Fees for attending each meeting of the Board and its Committees in which you are a member, as determined by the Board from time to time.

In addition to the sitting fees, commission that may be determined by the Board may also be payable to you. In determining the amount of this commission, the Board

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supported by the Nomination, Remuneration & Compensation Committee may consider performance of the Company and your performance as evaluated by the Board.

Further, the Company may bear or reimburse to you such fair and reasonable expenses, as may have been incurred by you while performing your role as an Independent Director of the Company, including reimbursement of expenses incurred by you for attending the meetings.

## **5. Training**

The Company may, as required, conduct/arrange for training programmes common for the members of the Board to acquaint them with the Company's business and operations, growth strategies, industry specifics, corporate goals, expectations, long-term plans, and objectives.

## **6. Insurance**

The Company has taken an appropriate Directors' and Officers' Liability Insurance policy, which has adequate insurance cover for Board members and senior management. This Policy will be renewed on a yearly basis. In the event of any claim or litigation against the Company, on any alleged misconduct, act or omission on your part during your term, you are requested to render all reasonable assistance and cooperation to the Company and provide relevant information and documents as are reasonably requested by the Company.

## **7. Evaluation Process**

In terms of the provisions of the Act and applicable corporate governance guidelines, the Board of Directors shall evaluate the performance of the directors annually. Such evaluation of each director shall be made by other directors on the criteria for evaluation to be determined by the Board or the Committee, as the case may be.

## **8. Conflict of Interest**

You may have business interests other than those of the Company. You are requested to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of your appointment and upon any change therein. You are requested to disclose to the Chairman and the Company Secretary in a timely

manner about any change in your circumstances which might give rise to a conflict of interest or might lead the Board to revise its judgment that you are independent.

## **9. Confidentiality**

You shall not disclose Company and business information to constituencies such as the media, the financial community, employees, shareholders, agents, franchisees, dealers, distributors importers etc. unless specifically authorised by the Company or required by law or by the rules of any regulatory body. On reasonable request, you shall surrender any documents and other materials made available to you by the Company.

Your obligation of confidentiality shall survive cessation of your directorship with the Company. We would also like to draw your attention to the applicability of both, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the Code of Conduct for Prevention of Insider Trading, prohibiting disclosure or use of unpublished price sensitive information.

## **10. Other terms**

You may resign from the directorship of the Company by giving a notice in writing to the Company stating the reasons for resignation. The resignation shall take effect from the date on which the notice is received by the Company or the date, if any, specified by you in the notice, whichever is later.

Your directorship on the Board of the Company shall cease in accordance with law. The Company may disengage Independent Directors prior to completion of Term (subject to compliance of relevant provisions of the Act) upon:

- i. Violation of any provision of the Code of Conduct as applicable to Non-Executive Directors; and
- ii. Upon the director failing to meet the criteria for independence as envisaged in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations.

This letter represents the entire understanding and constitutes the whole agreement, in relation to your appointment and supersedes any previous agreement between yourself and the Company with respect thereto and without prejudice to the generality of the foregoing, excludes any warranty, condition or other undertaking implied at law or by custom.

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No waiver or modification of this letter shall be valid unless made in writing and signed between you and the Company.

### **11. Governing Law**

This letter is governed by and will be interpreted in accordance with Indian law and your engagement shall be subject to the jurisdiction of the courts at Mumbai, India.

### **12. Acceptance of Appointment**

We are confident that the Board and the Company will benefit immensely from your rich experience and continued guidance for Company's growth.

We request you to confirm your acceptance of these terms relating to your appointment as an Independent Director of the Company by signing and returning to us the enclosed copy of this letter.

We look forward to your continued guidance and valuable contribution in shaping the decisions and strategies of the Company.

Yours sincerely,

For Metro Brands Limited

Agreed and Accepted

(Name of the Director)  
(Designation)

(Name of the appointed Director)  
Date:



**METRO BRANDS LIMITED**

**CODE OF CONDUCT  
FOR  
BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL<sup>1</sup>**

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<sup>1</sup> Adopted in Board meeting dated 30<sup>th</sup> January 2019 and further amended vide resolution passed in Board meeting dated 23<sup>rd</sup> March, 2023

**METRO BRANDS LIMITED**  
**CODE OF CONDUCT**  
**FOR**  
**BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL**

**1. INTRODUCTION**

- 1.1** This Code of Conduct (hereinafter referred to as “**Code**”) is applicable to the Members of the Board (hereinafter referred to as “**Directors**”) and Senior Management of **Metro Brands Limited** (the “**Company**”). It reflects the Company’s underlying ethical values and commitment to lay standards of integrity, transparency, fairness, accountability and pursuit for excellence.
- 1.2** The purpose of this Code is to demonstrate the ethical and transparent process in managing the affairs of the Company, and thus to sustain the trust and confidence reposed in the Management by the stakeholders and business partners. Directors and Senior Management are expected to understand, adhere to, comply with and uphold the provisions of this Code and the standards laid down hereunder in their day-to-day functioning.
- 1.3** The Code has been framed in compliance with the Regulation 17(5) of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 (“Listing Regulations”) which stipulates that the Board of Directors of every listed company shall lay down a code of conduct for all Board members and Senior Management personnel of the Company.
- 1.4** All Directors and Senior Management shall be required to affirm compliance with this Code on an annual basis, within 30 days of close of every financial year to the Company Secretary, in the form annexed at **Appendix-I**.

**2. DEFINITIONS & INTERPRETATION**

- 2.1** In this Code, unless repugnant to the meaning or context thereof, the following expressions, wherever used in this Code, shall have the meaning assigned to them below:

“**Directors**” shall mean all the members of the Board of Directors of the Company.

“**Company**” shall mean the Metro Brands Limited.

“**Senior Management**” shall have the meaning assigned to it under the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulation, 2015 (“Listing Regulations”) as amended.

“**Relative**” shall mean relative as defined in Section 2(77) of the Companies Act, 2013 (“the Act”) read with the Companies (Specification of Definitions Details) Rules, 2014.



**2.2** In this Code, words importing masculine shall include feminine and words importing singular shall include plural or vice versa.

### **3. KEY REQUIREMENTS**

The Directors and Senior Management shall act within the authority conferred upon them in the best interests of the Company and will:

- act in the best interest of, and fulfill their fiduciary obligations to the Company and its shareholders;
- act honestly, fairly, ethically and with integrity;
- conduct themselves in a professional, courteous and respectful manner and not take improper advantage of their position;
- act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgment to be subordinated;
- use their prudent judgment to avoid all situations, decisions or relationships which give or could give rise to conflict of interest or appear to conflict with their responsibilities within the Company;
- not exploit for his/her own personal gain, opportunities that are discovered through use of corporate property, information or position, unless the Company declines to pursue such opportunity for its business interest(s);
- avoid conducting business on behalf of the Company, except in accordance with provisions of Listing Regulations & the Act and rules made thereunder, with proper and fullest disclosure to the Board; with (a) a Relative (b) a private limited company in which he or his Relative is a Member or a Director (c) a public limited company in which he along with his Relative holds more than two per cent of its paid-up share capital; and (d) with a firm in which he or his Relative is a partner;
- disclose and avoid having any personal and/or financial interest in any business dealings concerning the Company;
- avoid any dealings with a contractor or supplier that compromises the ability to transact business on a professional, impartial and competitive basis or influence decision to be made by the Company;
- not hold any positions or jobs or engage in outside businesses or other interests that are prejudicial to the interests of the Company;
- inform the Board, at the earliest opportunity, any existing or potential conflict of interest situation; and
- comply with all applicable laws, regulations, confidentiality obligations and Company's policies including but not limited to Ethics Policy.

The Independent Directors shall also be required to comply with Code of Conduct of Independent Directors as set out separately on the website: <https://metrobrands.com/policies/>.

It is clarified that it would not be a conflict of interest for the Director & Senior Management of the Company or members of their immediate family to have dealings in normal course with and to obtain services from persons or entities who also deal/provide services to the Company, including legal, accounting or brokerage services, loans & services from banks or insurance from insurance companies etc., at rates customary for similarly situated customers.

#### **4. OTHER DIRECTORSHIPS/EMPLOYMENT**

Unless specifically permitted by the Board, the Board Members shall not serve as director of any other Company or as partner of a firm that is engaged in a competing business with the Company.

The Directors should promptly disclose their appointment/ cessation from directorship of other companies.

In consideration of employment with the Company, Whole Time Directors and Senior Management are expected to devote their full attention to the business interest of the Company. The Senior Management is prohibited from holding any position or job or be on the Board of any other company (except in subsidiaries/associates/group companies) without approval of the Chairman & Managing Director of the Company.

#### **5. GIFTS AND DONATIONS**

The Directors and the Senior Management shall neither receive nor offer or make, directly or indirectly, any gifts, donations or comparable benefits which are intended to or perceived to obtain undue favours in the transactions detrimental to the interest of the Company, except for nominal value, which are customarily given and are of commemorative nature for special events and should never be of a kind that could create an appearance of impropriety.

#### **6. PUBLIC REPRESENTATION**

The Company honours the information requirements of the public and its stakeholders. In all its public appearance with respect to disclosing information in relation to the Company's activities to public constituencies such as the media, the financial community, employees and shareholders, the Company shall be represented only by specifically authorised directors and employees. It will be the sole responsibility of these authorised representatives to disclose Company related information.

#### **7. INSIDER TRADING**

The Directors and Senior Management shall comply with the Insider Trading - Code of Conduct in dealing with the securities of the Company as applicable from time to time.

#### **8. CONFIDENTIALITY OF INFORMATION**

Any information concerning the Company's business, its customers, suppliers, etc. to which the Directors and Senior Management have access, or are in possession, must be considered privileged and confidential and should be held in confidence at all times, and should not be disclosed to any person, unless:

- (i) specifically authorized; or
- (ii) the same is part of the public domain at the time of disclosure; or
- (iii) is required to be disclosed in accordance with applicable laws.

## **9. REGULATORY COMPLIANCE**

Every Director and Senior Management shall, in his or her business conduct, comply with all applicable laws and regulations, both in letter and in spirit, in all the territories in which he or she operates. If the ethical and professional standards set out in the applicable laws and regulations are below that of the Code, then the standards of the Code shall prevail.

## **10. HEALTH, SAFETY AND ENVIRONMENT**

The Directors and Senior Management shall be committed to prevent the wasteful use of natural resources and minimize any hazardous impact of the development, production, use and disposal of any of its products and services on the ecological environment.

## **11. PROTECTION OF ASSETS**

The Directors and Senior Management of the Company shall employ the assets of the Company for the purpose of conducting the business for which they are duly authorised. These include tangible assets such as equipment and machinery, systems, facilities, materials as well as intangible assets such as proprietary information, relationships with customers and suppliers, etc.

## **12. AMENDMENT TO THE CODE**

The Board of Directors of the Company may change/amend this Code from time to time at its sole discretion and/or in pursuance of any amendments made with all applicable laws and regulations.

In the event of any conflict between the provisions of this Code of Conduct and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments, rules shall prevail over this Code of Conduct.

Any subsequent amendment/modification in the Listing Regulations, the Act and/or applicable laws in this regard shall automatically apply to this Code of Conduct.

## **13. PLACEMENT OF THE CODE ON WEBSITE**

Pursuant to Listing Regulations, as amended from time to time, this Code and any amendments thereto shall be posted on the website of the Company.

#### **14. ENFORCEMENT OF CODE OF CONDUCT**

All Directors and/or Senior Management shall be accountable for fully complying with this Code.

#### **15. CONSEQUENCES OF NON- COMPLIANCE OF THIS CODE**

**15.1** In case of breach of this Code by the Directors, the same shall be dealt with by the Board of Directors for initiating appropriate action, as deemed necessary.

**15.2** Any breach of the aforesaid Code brought to the notice of the Compliance Officer or any member of the Board or Senior Management shall be reported to the Board of Directors of the Company for necessary action.

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**APPENDIX-I**

**METRO BRANDS LIMITED  
CODE OF CONDUCT  
FOR  
BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL**

**ANNUAL COMPLIANCE REPORT\***

I .....do hereby solemnly affirm to the best of my knowledge and belief that I have fully complied with the provisions of the CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL during the financial year ending 31<sup>st</sup> March .....

Signature :.....

Name :.....

Designation :.....

Date :.....

Place :.....

\* To be submitted by 30th April each year.



**METRO BRANDS LIMITED**

**CODE OF CONDUCT FOR INDEPENDENT DIRECTORS**

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<sup>1</sup> As adopted in Board meeting dated 30th January, 2019 and further amended vide resolution passed in Board meeting dated 29th July, 2022

## **METRO BRANDS LIMITED**

### **CODE FOR INDEPENDENT DIRECTORS**

The Code is a guide to professional conduct for Independent Directors (IDs). Adherence to these standards by IDs and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, regulators and Companies in the institution of IDs.

#### **Code of Conduct, Duties and Responsibilities**

1. IDs will abide by the Company's Ethics Policy to the extent applicable to the ID of the Company, as set out separately on the website: <https://metrobrands.com/policies/>.
2. IDs will abide by the guidelines of professional conduct, role, function and duties as an ID provided in Schedule IV of the Companies Act, 2013, as set out in Annexure-1.
3. IDs shall be at liberty to:
  - i. take decisions objectively and solely in the interests of the Company;
  - ii. facilitate Company's adherence to high standards of ethics and corporate behaviour;
  - iii. guide the Board in monitoring the effectiveness of the Company's governance practices and to recommend changes if required;
  - iv. guide the Board in monitoring and managing potential conflicts of interest of Management, Board Members and Stakeholders, particularly in related party transactions if any;
  - v. guide the Board in ensuring integrity of the Company's accounting and financial reporting systems, including independent audit and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, compliance with law and relevant standards.
  - vi. To be updated on IDs roles, responsibilities, duties and liabilities, under applicable laws, including changes and trends in economic, political, social, financial, legal and corporate governance practices.

## Annexure 1

### **GUIDELINES OF PROFESSIONAL CONDUCT, ROLE, FUNCTION AND DUTIES AS AN ID (Extract - As provided in Schedule IV of the Companies Act, 2013)**

#### **I. Guidelines for Professional conduct:**

An ID shall:

1. uphold ethical standards of integrity and probity;
2. act objectively and constructively while exercising his/her duties;
3. exercise his/her responsibilities in a bona fide manner in the interest of the Company;
4. devote sufficient time and attention towards his/her professional obligations for informed and balanced decision making;
5. not allow any extraneous considerations that will vitiate his/her 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/her 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/her independence;
8. where circumstances arise which make an ID lose his/her independence, the ID must immediately inform the Board accordingly;
9. assist the Company in implementing the best corporate governance practices.



## **II. Role and functions:**

The ID 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 while evaluating 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 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 ID 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/she 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. act within his/her 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.