Date:

To

Mr……..

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Dear Mr……..

Re: Appointment as an Independent Director

We thank you for your confirmation that you meet the independence criteria envisaged under the Companies Act 2013 and Listing Agreement with Stock Exchanges.

We are pleased to inform you that the Board of Directors ("Board") and Shareholders of Upper Ganges Sugar & Industries Limited ("Company") have approved your appointment as an Independent Director on the Board of the Company ("Independent Director"). This letter set out your terms of appointment as an Independent Director.

1. Appointment

1.1 You will be appointed as a Non-Executive Independent Director on the Board of Directors of the Company for an initial term of five years from the date of the 82nd Annual General Meeting (AGM) of the Company held on 8th September, 2014 upto the conclusion of the 87th AGM, unless terminated earlier or extended, as per provisions of this letter or applicable laws (Laws).

1.2 The term Independent Director should be construed as defined under the Companies Act, 2013 and the listing agreement.

1.3 The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which is consistent with the provisions of Companies Act, 2013 and the Listing Agreement. Accordingly, the Independent Directors will serve for not more than two terms of five years each on the Board of the Company. As an Independent Director you would not be liable to retire by rotation.

1.4 The appointment is subject to disengagement in accordance with the provisions of the Articles of Association of the Company, the Companies Act, 2013, the Rules made thereunder and Code of Conduct & Ethics. Your appointment is also subject to the maximum permissible Directorships that one can hold as per the provisions of the Companies Act, 2013 and the listing agreement.

1.5 Your re-appointment shall be based on the nomination of the Nomination and Remuneration Committee and subject to approval of the Board and Shareholders of the Company. Your re-appointment would be considered by the Board based on outcome of performance evaluation process and you continuing to meet the independence criteria.

2. Committees

2.1 The Board of Directors (the Board) may, if it deems fit, invite you for being appointed on one or more existing Board Committees or any such Committee that is set up in the future. Your appointment on such Committee(s) will be subject to the applicable regulations. Presently you are on the following Committees of the Board:

Name of the Committee	Position

The terms of reference of these Committees has already been shared with you.

3. Time Commitment

3.1 As an Independent Director you are expected to bring objectivity and independence of view to the Board's discussions and to help provide the Board with effective leadership in relation to the Company's strategy, performance, and risk management as well as ensuring high standards of financial probity and corporate governance. The Board meets atleast four times in a year. The Audit Committee also meets atleast four times in a year. Besides, there are other Committee meetings like Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee and Finance & Corporate Affairs Committee meetings which are ordinarily convened and held as per the business needs of the Company. You will be expected to attend the Board, Board Committees to which you may be appointed and Shareholders meetings and to devote such time to your duties, as appropriate for you to discharge your duties effectively. Ordinarily, all meetings are held in Kolkata.

3.2 By accepting this appointment, you confirm that you are able to allocate sufficient time to meet the expectations from your role to the satisfaction of the Board.

4. Role and Duties

4.1 Your role and duties will be those normally required of a Non-Executive Independent Director under the Companies Act, 2013 and the listing agreement. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and are as under:

I. You shall act in accordance with the Articles of Association of the Company.

II. You shall act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interest of the Company.

III. You shall discharge your duties with due and reasonable care, skill and diligence and shall exercise independent judgement.

IV. You shall not involve yourself 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. Please refer to clause 10 for full explanation on conflict of interest.

V. You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.

VI. You shall not assign your office as Director and any assignments so made shall be void.

In addition to the above requirements applicable to all Directors, your role as Non-Executive Independent Director has the following key elements:

i. **Strategy**: To constructively challenge and help develop proposals on strategy;

ii. **Performance**: To scrutinise the performance of management in meeting agreed goals and objectives;

iii. **Risk**: To satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are robust and defensible;

iv. **People**: To determine appropriate levels of remuneration of Executive Directors and have a prime role in appointing, and where necessary, recommend removal of Executive Directors and in succession planning;

v. **Reporting**: To take responsibility for the processes for accurately reporting on performance and the financial position of the Company; and

vi. **Compliance**: To review the Company's compliance with the applicable legislation and regulations and the conformity of Company's practices to accepted norms.

5. Independent Advice

5.1 You may seek independent professional advice with the approval of the Chairman of the Board of Directors, at the Company's expense, on any matter connected with the discharge of your responsibilities as an Independent Director.

6. Liabilities

6.1 As per Section 149(2) of the Act, an independent director shall be held liable, only in respect of such acts of omission or commission by a company which had occurred with his/her knowledge attributable through Board processes, and with his/her consent or connivance or where he/she has not acted diligently.

7. Status of Appointment

7.1 Your relationship with the Company shall be that of an office holder and not for a contract of the employment and this letter shall not constitute a contract of employment.

8. Induction

8.1 The Company shall, if required, conduct formal induction programme for its Independent Directors wherein you will be invited to attend an initial induction session and, thereafter, ongoing training and familiarisation sessions, including briefings from management. Please avail yourself of these opportunities as fully as is appropriate to your personal circumstances.

9. Reimbursement of Expenses

9.1 You will be paid such remuneration by way of setting fees for meetings of the Board and its Committees as may be decided by the Board and /or the members, as the case may be, from time to time. Further, you may also be paid remuneration by way of commission as may be approved by the Board and the Shareholders from time to time.

9.2 In addition to the above, the Company may pay or reimburse you such fair and reasonable expenditure, as may be incurred by you while performing your role as an Independent Director of the Company including for travel, hotel and other incidental expenses incurred by you for participation in the Board's and other meetings

10. Conflict of Interest

10.1 It is accepted and acknowledged that you may have business interests other than those of the Company. As a condition to your appointment commencing, you are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of your appointment.

10.2 In the event that your circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead the Board to revise its judgement that you are independent, this should be disclosed to the Board immediately.

11. Disclosure of Interest

11.1 During the term, you agree to notify the company promptly about any change in your directorship and provide such disclosures and information as may be required under the applicable laws. The Company must include in its Annual Accounts a note of any material interest that an Independent Director may have in any transaction or arrangement that the Company has entered into. Such interest should be disclosed no later than when the transaction or arrangement comes up at a Board meeting so that the minutes may record your interest appropriately and our records are updated. A general notice that you are interested in any contracts with a particular person, firm or company is acceptable.

12. Dealing in Shares and Code of Conduct

12.1 Directors are prohibited from dealing in the company's share during the period trading window is closed. Further, directors being designated officers of the company for the purpose of insider trading guidelines, are to pre-clear all trades (buy/sells/gift) from the Compliance Officer of the Company. You are required to comply with the applicable insider trading regulations and Laws including Upper Ganges Sugar & Industries Limited Code of Conduct for Prevention of Insider Trading, a copy whereof is attached with this letter. You are also required to comply with the Company's Code of Conduct and Ethics, enclosed with this letter of appointment.

13. Evaluation

13.1 The Company shall adopt a policy on Board Evaluation. The policy would provide for evaluation of the Board, the Committees of the Board and individual Directors, including the Chairman of the Board. As per the Policy, the Company will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors on an annual basis. As a member of the Board, your performance shall be evaluated annually and your appointment and re appointment on the Board shall be subject to the outcome of the yearly evaluation process. Evaluation of such Director shall be done by all other Directors. The criteria for such evaluation may be determined by the Nomination and Remuneration Committee and shall be disclosed in the Company's Annual Report. However, the actual evaluation process shall remain confidential and shall be constructive mechanism to improve the effectiveness of the Board / Committee. Indicative lists of factors that may be evaluated as part of this exercise are:

14. Confidentiality

14.1 All information acquired during your appointment is confidential to the Company and should not be released, either during your appointment or following termination (by whatever means) to third parties without prior clearance from the Chairman unless required by law or by the rules of any stock exchange or regulatory body. On reasonable request, you shall surrender any documents and other materials made available to you by the Company.

14.2 However, the Company will be entitled to disclose or file to the extent applicable, a copy of this letter and your particulars (including your detailed profile) to or with the statutory or regulatory authorities and stock exchanges, as may be required in

pursuance of the Laws, regulations, and requirement of stock exchanges. Such disclosure would include hosting/ uploading/ display of your aforesaid information including this letter on the website of the company as well as that of the stock exchanges where the securities of the Company are listed.

15. Discontinuation

15.1. Your directorship on the Board may cease or terminate in accordance with Laws. Apart from the grounds of termination as mentioned under the Companies Act 2013, your office shall be liable for termination on account of breach/violation of any code of conducts and ethics of the company.

15.2 You may resign from your position at any time and should you wish to do so, you are requested to serve a reasonable written notice on the Board.

15.3 Upon termination or your resignation for any reason, you will not be entitled to any damages for loss of office.

16. Governing Law

This agreement is governed by and will be interpreted in accordance with Indian law and your engagement shall be subject to the exclusive jurisdiction of the Indian courts.

We are confident that the Board and the Company will benefit immensely from your rich experience and we are eager to have you as integral part of the growth of our Company.

If these terms relating to your appointment as a Non Executive Independent Director of the Company are acceptable to you kindly confirm your acceptance by signing and returning to us the duplicate copy of this letter.

We thank you for your continued support and commitment to the Company.

Yours sincerely,
***for Upper Ganges Sugar & Industries* Ltd**

Director

Encl: a. The Upper Ganges Sugar & Industries Code of Conduct for Prevention of Insider Trading
b. The Code of Conduct & Ethics

Agreed and Accepted:

I have read and understood the terms of my appointment as an Independent Director of the Company and hereby affirm my acceptance to the same.

Signature ……..

Name:

DIN:

Place:

Date ……..