

**Date-** .....

**Name & Address of Director**

**Dear Mr/Ms .....**,

**Subject- Appointment as an Independent Director**

We are pleased to inform you that on the basis of your consent and declaration of meeting the criteria of "independence", the Board of Directors of the Company has on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Members of the Company, pursuant to the provisions of sections 149, 152 and 161 read with schedule IV and all other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the applicable clauses of the Articles of Association of the Company, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Nomination and Remuneration Policy of the Company, appointed you as an Independent Director of the Company for a term of ...../five consecutive years with effect ..... (DD/MM/YY). The terms of your appointment as set out in this letter are subject to the provisions of the applicable laws, including the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations, 2015). Please note that this is a contract for service and not a contract of employment.

**1. Appointment:**

As per the resolution passed by the Board of Directors of the Company, subject to the approval of the Members of the Company at the next general meeting, your appointment as an Independent Director under the Companies Act, 2013 read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has commenced from (DD/MM/YY) for a term of ...../ 5 consecutive years up to (DD/MM/YY).

Your appointment is subject to the maximum permissible directorships that one can hold as per the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, 2015.

You shall not be liable to retire by rotation as per the provisions of sub-section (6) of Section 152 of Companies Act, 2013.

Your re-appointment for another term of maximum period of five years at the end of the current term shall be based on the recommendation of the Nomination and Remuneration Committee and be subject to the approval of the Board and the shareholders by way of Special Resolution.

## **2 . Roles on the Board:**

You are expected to provide your expertise and experience, inter alia, in the areas of finance, strategy, risk management and Corporate Governance, etc. in the functioning of the Board and the Committees of the Board you may be nominated. In addition to routine board meetings you should allow time for Committee meetings, preparatory work and travel and ensure that you are in a position to make the necessary over all time commitment.

You may be nominated in one or more Committees of the Board and in such event, you will be provided with relevant Committee's terms of reference and any specific responsibilities. You are currently nominated on the following Committees of the Board, whose terms of reference are enclosed by way of Annexure to this letter:

- a) \_\_\_\_\_
- b) \_\_\_\_\_

## **3. Time Commitment**

As a Non- Executive Independent Director, you are expected to bring objectivity and independence of view in the Board's deliberations . Considering the nature of the role of an independent director, it is difficult for a Company to lay down specific parameters on time commitment. You agree to devote such time as is prudent and necessary for the proper performance of your role, duties and responsibilities as an Independent Director.

## **4. Duties and Liabilities:**

The duties and liabilities that come with your appointment would be as per the applicable laws, Company's policies and the Articles of Association of the Company. As an independent director, besides the functions and duties applicable to every director, or the functions or duties of the Board collectively, you have several duties as set out in the schedule IV of the Companies Act, 2013.

The laws that currently govern the duties and liabilities of an Independent Directors are the Companies Act, 2013 (including Rules thereunder) and SEBI Listing Regulations, 2015, some of which are specifically outlined below.

You will follow "the Code for Independent Directors" as per Schedule IV of the Companies Act, 2013 and will also comply with "BCL Code of Conduct" as may be applicable from time to time.

You are required to make disclosure of your interest as per the requirements of section 184 of the Companies Act, 2013 and not participate in the discussions during the meeting of the Board, where any contract or arrangement in which you are interested is discussed.

We have already provided you with an understanding of the business of the Company together with roles, responsibilities, liabilities of Directors, statutory compliances, etc. as a part of your first induction in the Board.

Additionally, the Company will also provide support to help you improve your familiarity with the Company and its business from time to time .

#### **5. Independence :**

The Board of Directors of the Company, inter alia, has given due consideration to your declaration of being qualified as 'independent' in accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, 2015 . You are expected to continue to be qualified as 'independent' during your tenure and provide periodic declaration to this effect as required by the said Regulations. You will be identified as 'Independent Director' in the annual report and other documents and publications of the company. If circumstances change and you believe it may not be possible for you to retain your independence, you should discuss this with the Chairman as soon as practicable.

#### **6. Evaluation Process:**

Your performance evaluation shall be done by the Board of Directors in terms of the evaluation mechanism framed by the Nomination and Remuneration Committee. You will participate in reviewing the performance of non-independent directors and the Board as a whole, performance of the Chairperson and other Independent Directors in the manner as prescribed in the Companies Act, 2013 and SEBI Listing Regulations 2015 from time to time.

#### **7. Code of Conduct :**

You will follow the Code of Conduct and furnish an annual affirmation of the same.

You will apply the highest standards of confidentiality, and not disclose to any person or company (whether during the course of the tenure as Independent Director or at any time after its cessation), any confidential information concerning the Company or any Group Companies with which you come into contact by virtue of your position as a Director, except as permitted by law or with prior clearance from the Chairman or Company Secretary .

#### **8. Code of Conduct on prohibition of Insider Trading :**

You will follow the Code of Conduct to regulate, monitor and report insider trading and the requirements under the Companies Act, 2013 and SEBI Prevention of Insider Trading Regulations, 2015 as amended or applicable from time to time, which inter -alia requires that price- sensitive information is not used or transmitted and is maintained securely. You should not make any statements that might risk a breach of these requirements without prior clearance from the Chairman or the Company Secretary.

#### **9. Remuneration**

You will be entitled to such sitting fees as approved by the Board from time to time. However you can voluntarily forgo/waive sitting fee. Expenses incurred by you for the purpose of attending any meeting of

the Board or its Committee(s), or for participating through video conferencing as permitted by the Board, will be reimbursed separately as per the company's normal policy on such expenses / reimbursements.

You may also be entitled to a commission as may be determined by the Board within the overall limits approved by the shareholders of the Company and the applicable legal provisions. For so long as this appointment lasts or is extended, your fee and commission may be reviewed by the Board from time to time.

#### **10. Termination**

Your appointment will terminate automatically on the expiry of the term of appointment as mentioned above, or if you vacate your office in terms of sec 167 of the Companies Act, 2013. There is no compensation for termination of office in any circumstance.

You may resign from the directorship of the Company any time by giving a notice in writing to the Company stating the reasons for resignation and also to concerned Registrar of Companies (ROC). However, should you wish to do so, you are requested to serve a reasonable written notice on the Board.

Your directorship on the Board of the Company shall terminate or cease in accordance with the law.

#### **11 . GENERAL**

**Fiduciary duties and accompanying liabilities** - You will be expected to perform your general fiduciary duties and exercise the skill and care expected of every Director.

You do not have authority to commit the Company in any way, nor should you make any statements on the Company's behalf or concerning the Company to the media, financial institutions or anyone associated with the stock market or investor community without the express authorization of the Board.

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

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. You shall discharge your duties with due and reasonable care, skill and diligence.

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.

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

You shall not assign your office as Director and any such assignments shall be void.

You will be held liable, only in respect of such acts of omission or commission by the Company which have occurred with your knowledge, attributable through Board processes, and with your consent or connivance or where you have not acted diligently.

The list of actions that a director should not do while functioning as such in the company includes the following:

Any action that involves any violation of applicable law;

Any action that involves any breach, in letter and spirit, of the Company's Code of Conduct for Non-Executive Directors as may be applicable from time to time;

Any action that either involves the directors' personal interest, except as disclosed as per applicable law, or unduly compromises or conflicts with the interest of the company.

**We confirm that:-**

- you will be given full access to all information in or about the Company and its affairs which is available to the executive directors;
- agendas for the Board meetings and all relevant papers which require study before Board meetings will be provided to you in good time (save in exceptional circumstances) to allow you to consider them in advance of meetings (and likewise for the committee meetings, wherever applicable); and
- you will be given access to the Chairman, the Managing Director, Chief Financial Officer and the Company Secretary of the Company, on a personal basis, whenever you request to see them, diaries permitting.

**12. Governing Law:**

This letter and any non-contractual obligations arising out or in connection with this letter are governed by and shall be construed in accordance with the laws of India and subject to the exclusive jurisdictions of the Courts of India.