

**ANSAL PROPERTIES & INFRASTRUCTURE LTD.**

**LETTER OF APPOINTMENT OF INDEPENDENT DIRECTOR**

Shri. ....

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Dear Shri .....,

On behalf of the Company, I am glad to inform you about your appointment as Non-Executive Independent Director {in short, "Independent Director"} by the Board of Directors (in short, "the Board") of the Company and also its Shareholders at the Annual General Meeting held on the 29th September 2014.

The terms of your appointment are as follows:-

**Terms**

Your appointment as a Non-Executive Independent Director on the Board of Directors of the Company is effective from the 29th September, 2014 for a consecutive period of five years till the 28<sup>th</sup> September, 2019.

The term "Independent Director" should be construed as defined under the Companies Act, 2013, its Rules and the Listing Agreement.

Your appointment is subject to the provisions of the Companies Act, 2013, its Rules & the Listing Agreement entered by the Company with Bombay Stock Exchange, National Stock Exchange and Delhi Stock Exchange and the Articles of Association of the Company.

In compliance with provisions of Section 149(13) of the Companies Act, 2013 & its Rules, your Directorship is not subject to retirement by rotation.

Re-appointment at the end of the term of your appointment shall be based on the recommendation of the Nomination & Remuneration Committee of the Board and subject to the approval of the Board and the Shareholders of the Company. Your re-appointment would be considered by the said Committee and the Board based on the outcome of the performance evaluation process and you continuing to meet the independence criteria.

**Nature of appointment**

You will not be an employee of the Company and this letter shall not constitute a contract of employment.

## **Remuneration**

You shall be paid such remuneration by way of setting fees for meetings of the Board and its Committees as has been/shall be decided by the Board and/or approved by the Shareholders of the Company, from time to time.

The sitting fees presently paid to the Independent Director is Rs. 30,000/- per meeting of the Board or a Committee thereof.

Further, you shall also be paid remuneration by way of profit related Commission as approved/shall be approved by the Board and the Shareholders of the Company, from time to time.

In addition to the remuneration, the Company shall during the term of your appointment, reimburse you for travel/conveyance, hotel and other incidental expenses incurred by you in the performance of your role and duties.

The Criteria of making Payment to Non Executive Directors including Independent Directors of the Company, adopted by the Company in terms of Listing Agreement, shall be kept in view.

## **Insurance**

The Company has taken Directors' and Officers' Liability Insurance Policy and it is intended that the Company shall maintain such cover for the full term of your appointment.

## **Evaluation**

The Company has adopted the Criteria for performance evaluation of Board & Independent directors. Your re-appointment on the Board shall subject to the outcome of the performance evaluation process.

## **Committees**

Your membership/chairmanship on the Board's Committees of the Company shall continue wherein you shall carry on serving as hereto before.

## **Professional Conduct**

As an Independent Director, you shall:

- a. uphold ethical standards of integrity and probity;
- b. act objectively and constructively while exercising your duties;
- c. exercise your responsibilities in a bona fide manner in the interest of the Company;

- d. devote sufficient time and attention to your professional obligations for informed and balanced decision-making;
- e. not allow any extraneous considerations that may vitiate your 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
- f. not abuse your 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.
- g. refrain from any action that could lead to a loss of your independence;
- h. ensure that if circumstances arise under which you may lose your independence, you will immediately inform the Board accordingly;
- i. assist the Company in implementing the best corporate governance practices.

### **Roles & Functions**

Your role and functions will be those normally required of a Non-Executive Independent Director under the Companies Act, 2013, its Rules 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 Company's Articles of Association.
- 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.
- 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.
- 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.

### **Additional requirements**

In addition to the above requirements you are to perform the following:

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 the Management;
  3. scrutinize the performance of the Management in meeting agreed goals and objectives and monitor the reporting of performance;
  4. satisfy yourself 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 their removal;
  8. moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between the Management and shareholder's interest.

## **Duties**

As an Independent Director, you shall:

- a) undertake the appropriate induction into the Board and regularly update and refresh your skills, knowledge and familiarity with the Company;
- b) strive to attend every meeting of the Board and of the Board committees of which you are a member;
- c) actively and constructively participate in the Board and Committees of the Board in which you are a member/ Chairperson;
- d) strive to attend the general meetings of the Company;
- e) ensure that any concerns that you may have about the running of the Company are addressed by the Board and seek inclusion of these concerns in the Board minutes to the extent these concerns are not resolved;
- f) keep yourself well informed about the Company and the external environment in which it operates;
- g) not unfairly obstruct the functioning of an otherwise proper Board or committee;
- h) ensure that related party transactions are considered carefully before they are approved and are in the interest of the Company;
- i) ensure that the Vigil Mechanism /Whistleblower function of the Company is functioning adequately;
- j) report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Codes of Conduct;
- k) within your authority, assist in protecting the legitimate interests of the Company, Shareholders and its employees;

## **Compliance**

Independent directors have the same general legal responsibilities to the Company as that of any other director. You should be in compliance with the

applicable legislations and regulations. You shall abide by the Company's Code of Conduct for Directors {including Independent Directors} and Senior Management, Code of Conduct for Trading in Securities of the Company in terms of SEBI (Prohibition of Insider Trading) Regulations, 1992 and/or abide by such other requirements as the Board may, from time to time, specify.

### **Other directorships, conflict of interests, disclosures**

During term of your appointment, you agree to promptly notify the Company of any change in your directorships, and provide such other disclosures and information as may be required under the applicable laws. You also agree that upon becoming aware of any potential conflict of interest with your position as Independent Director of the Company, you shall promptly disclose the same to the Chairman and the Company Secretary.

You shall regularly make disclosure of interest to the Board in terms of the Companies Act 2013 and its Rules,

### **Time**

Considering the nature of the position of an Independent director, it may be difficult for the Company to lay down definite parameters on your 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.

### **Development/ familiarization programs**

The Company shall, if required, conduct development programs for its Independent Directors. It shall also, as may be required, support Directors to continually update their skills and knowledge and improve their familiarity with the Company, its business, nature of the industry in which it operates, their roles, rights & responsibilities in the Company. The Company shall fund/arrange for training on all matters which are common to the entire Board. You shall strive to attend such programs.

### **Professional Advice**

There may be occasions when you consider that you need professional advice in furtherance of your duties as a Director and it will be appropriate for you to consult independent advisers at the Company's expense. The Company will reimburse the cost of expenditure incurred.

### **Co-operation**

In the event of any claim or litigation against the Company, based upon any

alleged conduct, act or omission on your part during term of your appointment, you agree to render all reasonable assistance and cooperation to the Company and provide such information and documents as are necessary and reasonably requested by the Company or its counsel.

### **Confidentiality**

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

### **Cessation of your appointment**

Your directorship on the Board of the Company shall cease in accordance with provisions of the Companies Act, 2013 and its Rules.

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.

The applicable provisions of the Companies Act, 2013 and its Rule and the Articles of Association of the Company shall be complied.

The continuation of your appointment is contingent on your getting re-elected by the Shareholders in accordance with provisions of Companies Act, 2013, its Rules and the Articles of Association of the Company, from time to time in force.

If at any stage during term of your appointment, there is a change that may affect your status as an Independent Director as envisaged in the Companies Act, 2013 and its Rules, and/or you fail to meet the criteria for "independence" under the provisions of the Listing Agreement, you agree to promptly submit your resignation to the Company with effect from the date of such change.

### **Governing Law**

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

### **Miscellaneous**

