



### **Terms of Appointment of Independent Director**

On behalf of the Company, I write to confirm your appointment as an Independent Non-Executive Director of Anant Raj Limited ("ARL" or "Company"), as per the provisions of Companies Act, 2013 with effect from 01<sup>st</sup> April, 2014. I set out below the terms of your appointment:

#### **1. TERMS OF OFFICE**

Your appointment will be for an initial period of Five (5) years from 01st October, 2014, but may continue thereafter for a second term of five years if agreed by the board members and shareholders in their respective meetings. You shall not be liable to retire by rotation as per the relevant provisions of the Companies Act, 2013 and Listing Agreement.

Your appointment is subject to the provisions of Companies Act, 2013 regarding appointment, fees, expenses, retirement, disqualification and removal of directors. You may cease to hold office as a Director at any time:

- (a) by giving resignation by written notice. It is desirable that you give the Chairman reasonable forewarning of your intention to resign or to not seek re-appointment where that is possible so that the Company can plan for succession of skills and experience on the Board; and
- (b) You may be required to vacate office for any reason pursuant to any of the provisions of the Companies Act, 2013; or
- (c) You may be removed as a director or otherwise required to vacate office under any applicable law and under the Articles of Association of the Company.

Independent Directors are normally expected to serve terms of appointment of 5 years. However, the Board may, subject to the applicable laws, agree with you in writing that

you will serve as a director until a later date. At any time during your tenure, your performance as an Independent Director will be reviewed in accordance with processes agreed by the Board from time to time. You agree to participate in such reviews.

## **1. COMMITMENTS**

### **A) Independent Director**

You will be expected to devote such time as is necessary for the proper performance of your duties and as an Independent Director you will be involved in a number of board and committee meetings each year. You should strive to attend all the scheduled quarterly board meetings, General Meetings; Committees' Board Meetings and other meetings or attendance as necessary.

As an Independent Director, you should strive to hold and present in at least one meeting in a year without the presence of Non-Independent Directors and members of management with the sole objective of:

- (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.

By accepting this appointment, you have confirmed that you are able to allocate sufficient time to meet the expectations of your role.

### **B) The Company**

- The Company shall provide you with adequate notice of the dates of proposed board meeting, general meetings, and meetings of board committees. As per the provision of the Companies Act, 2013, the Company is expected to give you an advance notice of minimum 7 days of every board and committee meetings. A meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that at least one independent director shall be present at the meeting and in case of absence of Independent Directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one Independent Director. The notice of the Board/ Committee meetings will be provided along with the

agenda of the Board/ Committee meetings.

- The Company will train its Board members in the business model of the company as well as the risk profile of the business parameters of the company, their responsibilities as directors.
- The Company will provide special training courses which is conducted by the various professional bodies to ensure that the directors are refreshed and equipped to perform their role in the highest standards and performance possible the best ways to discharge them.
- The Company shall inform the directors about any upcoming events in the company.
- The Company shall ensure that director is update about latest happening in the industry and in the field of law applicable on the company by allowing them to visit the seminars held in these respect.
- The Company shall establish an effective whistle blower mechanism so that the directors can raise their concerns.
- It shall be the responsibility of the Company to provide the independent director with all the information and documents they validly require to fulfil their functions.
- The company shall ensure that the Independent Directors are aware of their statutory obligations.

## **2. CODE OF CONDUCT, FUNCTIONS AND DUTIES**

You will be expected to perform your duties, whether statutory, fiduciary or common law, faithfully, efficiently and diligently to a standard commensurate with both the functions of your role and your knowledge, skills and experience. You will have all the usual duties of an independent director under Company law and applicable listing agreement of the NSE and BSE, including attendance at board meetings, the annual general meeting, meetings of independent directors, meetings with investors and shareholders and other Board events such as site visits, together with such additional duties as may be agreed with the Board, and which may relate to the business of the Company or any other member of the Group. You will be required to serve on such committees as the Board may request, including but not limited to Audit Committee,

and/or Nomination and Remuneration Committee and/or Stakeholders Relationship Co Committee and/ or Corporate Social Responsibility Committee. In addition, you will be expected to devote appropriate preparation and travel time ahead of each meeting.

As a Director of Anant Raj, you will have legal duties and obligations under Companies Act 2013. It is expected that you will familiarize yourself with the relevant Directors' Duties, roles and responsibilities as set out in Annexure I.

#### **4. LIABILITY**

As an Independent Director, you will be liable only in respect of such acts of omission or commission by a company which had occurred with your knowledge, attributable through Board processes, and with your consent or connivance or where you had not acted diligently.

#### **5. TECHNOLOGY**

Being a Director, you may make use of video, telephone, electronic mail, any other technology which permits each Director to communicate with every other Director, or any combination of these technologies for the purpose of calling and holding Directors' meetings.

You may attend the board or committee meeting through video conferencing or other audio visual means subject to the applicable provisions of the Companies Act, 2013.

#### **6. CONFLICT OF INTEREST**

By accepting this appointment you will be deemed to have confirmed that any other position you hold including your directorships in other organizations, shall not give rise to any conflicts of interest in relation to your appointment as an Independent Director of the Company. Should you become aware of any conflict or potential conflict during your appointment, you are expected to notify the Company Secretary.

**As an Independent Director you shall not engage in any activity/ies that is not expected from you as an Independent Director.**

#### **7. DISCLOSURES**

You shall be required to submit certain information in the prescribed forms on a defined periodicity. The Company Secretary shall be the coordinating officer for this.

You are required to disclose to the Company your interests and any matters (excluding those matters which may be subject to legal professional privilege) which affect your independence.

During your tenure as an Independent Director, you are required to give a declaration that you meet the criteria of independence every financial year as provided under Section 149 of the Companies Act, 2013.

#### **8. DIRECTORS' FEES**

You shall be paid a sitting fee of Rs. 2500/- for attending the Board meetings of the Company, as per the provisions of Section 197 of the Companies Act, 2013 and as mandated by the Articles of Association of the Company. You shall also be entitled to receive profit related commission as may be approved by the board members from time to time.

The Company shall reimburse you all traveling, hotel, and other incidental expenses properly and reasonably incurred by you in performance of duties as per provisions of the Companies Act, 2013 in conjunction with the Company rules and policies.

As an independent director you shall not be entitled to any stock option and shall not be covered by any pension scheme.

#### **9. REVIEW**

The performance of individual directors, the whole Board and its committees is evaluated annually. If, in the interim, there are any matters which cause you concern about your role you should discuss them with the chief executive officer or the senior independent director as soon as you can.

#### **10. CODE FOR INDEPENDENT DIRECTORS, CODE OF CONDUCT FOR DIRECTORS AND CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING FOR EMPLOYEES, INCLUDING DIRECTORS**

You are required to abide by the Code for Independent Directors, Code of Conduct for Directors and Code of Conduct for Prevention of Insider Trading for Employees, including Directors, as issued by the Company.

## **11. INDUCTION & TRAINING**

Where possible, directors will be encouraged to attend special training courses by various professional bodies to ensure that the directors are refreshed and equipped to perform their role in the highest standards and performance possible. You should feel free to request any further information which you require, at any time.

## **12. CONFIDENTIALITY AND ACCESS TO COMPANY RECORDS**

Under Company law, Directors have a right of access to a company's documents and records, including financial records.

Any confidential information which may come to your knowledge in the performance of your duties as a director of the Company must not be divulged, except so far as:

- a. may be necessary in connection with the proper performance of your duties to the Company;
- b. the Company may from time to time authorise and that you will take all reasonable precautions as may be necessary to maintain the secrecy and confidentiality of all confidential information of the Company; or
- c. You may be required by law to disclose.

## **13. APPLICABLE LAW**

This letter of appointment shall be governed by the laws of India.

Kindly confirm your agreement to the terms set out above by signing the endorsement on the enclosed copy of this. Please return the copy to me at the above address. In returning this letter duly signed, you agree that the Company may make this letter publicly available.

**For Anant Raj Limited**



**Manoj Pahwa**  
**Company Secretary**

**Annexure I**  
**Power, duties and responsibility of Independent Director**

**A. PROFESSIONAL CONDUCT**

As an Independent director of the Company, 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 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;
- 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 would lead to loss of your independence;
- h) where circumstances arise which make you as an Independent Director lose your independence, you must immediately inform the Board accordingly;
- i) assist the Company in implementing the best corporate governance practices

**B. ROLE AND FUNCTIONS**

As an Independent director of the Company, you shall:

- a) 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;
- b) bring an objective view in the evaluation of the performance of board and management;
- c) scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- d) satisfy yourself on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- e) safeguard the interests of all stakeholders, particularly the minority shareholders;
- f) balance the conflicting interest of the stakeholders;

- g) 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;
- h) moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.

### **C. DUTIES**

As an Independent director of the Company, you shall:

- a) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
- b) 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;
- c) strive to attend all meetings of the Board of Directors and of the Board committees of which you are a member;
- d) participate constructively and actively in the committees of the Board in which you are a chairperson or a member;
- e) strive to attend the general meetings of the Company;
- f) ensure that your concerns about the running of the Company or a proposed action 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;
- g) keep yourself well informed about the Company and the external environment in which it operates;
- h) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- i) 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;
- j) 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;
- k) report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
- l) acting within your authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
- m) 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.



**Annexure II**  
**Declaration by Independent Director**

"I, Maneesh Gupta, bearing DIN 00129254 with respect to the position of Independent Director of Anant Raj Limited, hereby confirm that:-

- a. I am not the nominee of any financial institution or of the Government or any of any other person, to represent their interest on the Board;
- b. I am or was not promoter of the company or its holding, subsidiary or associate company and also not related to the promoters or directors in the company, its holding, subsidiary or associate company;
- c. I do not have or have had any pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year, apart from receiving Directors remuneration from the company u/s 149(9) of the Companies Act, 2013;
- d. None of my relative has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or fifty lakh rupees, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- e. Neither I nor any of my relative hold or has held the position of key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the current financial year;
- f. Neither I nor any of my relative is or has been an employee or proprietor or a partner in any of the three financial years immediately preceding the current financial year:
  - In a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company,
  - In any legal or a consulting firm that has or had any transaction with the company, its holding co, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm,
- g. I or any of my relative do not hold together with my relatives 2% or more of the total voting power of the company.
- h. I or any of my relative is not a material supplier, service provider or customer or a lessor or lessee of the company.
- i. Neither I or nor any of my relatives is a Chief Executive Officer (CEO) by whatever name called, of any nonprofit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company"

**I further confirm that:-**

- a. I do not hold the position of Independent Director in more than 7 listed companies
- b. I am not the member in more than ten committees of Audit Committee and the Stakeholders' Relationship Committee across all public limited companies where I am acting as director.
- c. I am not Chairman in more than five Audit Committee and the Stakeholders' Relationship Committee across all public limited companies where I am acting as director.
- d. Further the details of Chairmanship / membership in various committees (Audit and Stakeholders Relationship Committee) of all public limited companies is as follows:-

<b>Sr.</b>	<b>Name of Company</b>	<b>Name of Committee</b>	<b>Chairman/Member</b>
1.	Anant Raj Limited	Audit Committee	Member
2.	Anant Raj Limited	Stakeholders' Relationship Committee	Member