

On Letterhead of the Company

Date: [●]

To,
[●]
Independent Director

Sub: Appointment as Independent Director under Companies Act, 2013

Dear sir,

We are pleased to inform you that the shareholders of the Company at the [●] Annual General Meeting held on [●] have passed the resolution for your appointment as an Independent Director of the Company, pursuant to the Companies Act, 2013.

As per the requirements of the Companies Act, 2013, the above is being formalized through this letter of appointment. Please note that this is a contract for service and is not a contract of employment.

Appointment

Your appointment for the time being is for [●] consecutive years for a term up to the conclusion of the [●] Annual General Meeting of the Company in the calendar year [●]. This tenure is subject to your meeting the criteria for being an Independent Director and not being disqualified to be a Director under the applicable regulations.

Role and functions:

The Board's role is to effectively represent and promote the interests of shareholders with a view to adding long-term value to the Company's shares. Having regard to its role, the Board directs and supervises the management of the business and affairs of the Company. You as an Independent Director shall;

- 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;
- bring an objective view in the evaluation of the performance of Board and Management;
- scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- safeguard the interests of all stakeholders, particularly the minority shareholders;
- balance the conflicting interest of the stakeholders;
- 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;
- moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.

Duties:

Your duties as an Independent Director shall be to;

- (1) undertake appropriate induction and regularly update and refresh your 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 you are a member;
- (4) participate constructively and actively in the Committees of the Board in which you are chairperson or member;
- (5) strive to attend the general meetings of the Company;
- (6) where you 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 your concerns are recorded in the minutes of the Board meeting;
- (7) keep yourself 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 behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
- (12) acting within your 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.

Actions not to be taken:

You as an Independent Director shall not-

- allow any extraneous considerations that will 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;
- 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;
- take any action that would lead to loss of your independence;
- undertake or perform any action which is against the Code of Conduct of the Company, good corporate governance practices and anything which is against any law for the time being in force.

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 provision of Companies Act, 2013 and the Listing Agreement with the stock exchange. You are expected to continue to be qualified as 'Independent' during your tenure and provide periodic declaration to the effect as required by regulations. 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.

Evaluation Processes

Your performance evaluation shall be done by the Board of Directors annually, without your participation. 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.

Code of Conduct

1. You will follow the "Sadbhav Infrastructure Project Limited-Code of Conduct for Board of Directors and Senior Management" 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 and 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.

"Confidential Information" shall mean all information or data made available (whether furnished orally, in writing, electronically or through any other form or medium and regardless of whether it is specifically marked or identified as confidential) or any part thereof, concerning or relating to the Company, including but not limited to all analyses, forecasts, reports, studies, agreements, and other documents.

2. You will also follow Code for Independent Directors (As specified in Schedule IV of Companies Act, 2013).
3. You are required to make disclosure of your interest as per the requirements of Section 184 of the Companies Act, 2013.

Prohibition on Insider Trading

You will follow the “Code of Conduct for Prevention of Insider Trading for Sadbhav Infrastructure Project Limited” on Insider Information and the requirements under the Companies Act, 2013 and SEBI Regulations, which inter-alia requires that price-sensitive information is not used or transmitted and maintained securely. You should not make any statements that might risk a breach of these requirements without prior clearance from the Chairman or Company Secretary.

Remuneration

During your tenure you shall be paid sitting fees of Rs. [●] for attending each meeting of the Board of the Company or such amount as may be approved by the Board from time to time but which shall not exceed as stipulated in the Act and reimbursement of expenses for participation in such meetings.

Committee Involvement:

The Board Committees are formed whenever it is necessary to facilitate effective decision-making process, delegate its powers and responsibilities and to comply with various statutory requirements applicable to the Company from time to time. At present Board has constituted the Board Committees namely Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee, Finance and Investment Committee and Corporate Social Responsibility Committee.

Being an Independent Director, the Board may, in the interest of the Company and to fulfil various statutory requirements appoint you in any of its committees from time to time.

General

All the terms as mentioned above including your appointment, remuneration, professional conduct, role and functions, duties and evaluation shall be governed by the Companies Act, 2013 and Rules made thereunder and Corporate Governance requirements under the Listing Agreement, as amended from time to time.

This letter and any non-contractual obligations arising out of 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 jurisdiction of the courts of India.

Yours sincerely

Sadbhav Infrastructure Project Ltd.

Vishnubhai M. Patel
Chairman
DIN: 00048287