

TO BE TYPED ON THE LETTER HEAD OF BHISHMA REALTY LIMITED

To,
Shri _____

Subject: Appointment as an Independent Director of the Company.

Dear Mr. _____,

I am pleased to intimate to you that the Board of Directors at their meeting held on _____ have unanimously appointed you as an Additional Director in the category of Independent Director and that is the beginning of your association with the Company as an Independent Director with effect from _____. Your appointment made by the Board is subject to confirmation by the Shareholders at an ensuing Annual General Meeting to be held on or before _____. It is my privilege to issue you an appointment letter pursuant to the provisions of the Companies Act, 2013.

You are very well aware of the Directorial duties and rights as stipulated under clause IV(4) of Schedule IV of the Act, I narrate the same as under:-

1. Appointment and Tenure

1.1 Your term as an Independent Director will be for an initial term upto (*) with effect from (*) subject to your meeting the criteria for being an Independent Director and not being disqualified to be Director under the applicable laws and you will not be liable to retire by rotation.

1.2 Re-appointment at the end of the term shall be based on the recommendation of Nomination & Remuneration Committee and subject to the approval of the Board and the Shareholders. Further, it is subject to your performance evaluation and you continuing to meet the independence criteria, as per the applicable provisions of the Companies Act, 2013.

2. Time Commitment

2.1 As a Non-Executive Director you are expected to actively participate at the meetings of the Board and its Committees and to help provide the Board in relation to the Company's strategy, performance, and risk management as well as ensuring high standards of financial probity and corporate governance.

2.2 The Board normally meets at least four times in a year. The Audit Committee also meets at least one time in a year. Besides, there are other Committees like Nomination and Remuneration Committee and Corporate Social Responsibility Committee, meetings of which are ordinarily convened once in a year.

2.3 You are expected to attend Board, Board Committees and Shareholders meetings and devote such time as appropriate for you to discharge your duties effectively. Ordinarily, all meetings are held in Mumbai.

2.4 By accepting this appointment, you confirm that you will allocate sufficient time to meet the expectations from you to the satisfaction of the Board.

3. Role & Duties:

As a director of the Company, you have duties and obligations as set out in the Code for Independent Directors under Schedule IV of Companies Act, 2013 and the same is attached as **Annexure I as ready reference.**

4. Liability:

As an Independent Director, your liability will be there in respect of such acts of omission or commission by the 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. Attendance through Video / Audio visual:

- (i) You may attend the board or committee meetings through video conferencing or other audio visual means, subject to the applicable provisions of the Companies Act 2013.
- (ii) 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 call and holding directors' meetings.

6. Directors' fees / remuneration:

- (i) A sitting fee will be paid to you for attending each meeting of the board as well as the committee meeting attended by you, as per the provisions of Section 197 of the Companies Act, 2013 and the Articles of Association (AoA), as fixed by the board from time to time;
- (ii) As an Independent Director you are not entitled to any 'stock option' and will not be covered by any pension scheme;

7. Evaluation Processes:

Your performance evaluation shall be done by the Board annually, without your participation. You will participate in reviewing the performance of other Directors and the Board as a whole.

8. Status of Appointment

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

9. Publication of the letter of appointment:

In line with provision of sub clause 6 of Schedule IV to the Companies Act, 2013, the Company will be making public the terms and conditions of your appointment and will also be posting the same on the Company's website.

10. Confidentiality and access to records:

(i) Directors have a right of access to Company's documents and records, including financial records, as per the provisions of the Companies Act, 2013; and

(ii) 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) it may be necessary in connection with the proper performance of your duties to the Company; (b) the Company may, from time to time, authorise you to disclose such information, as may be required by you with the condition that you will take all reasonable precautions, as may be necessary to maintain the secrecy and confidentiality of all confidential information of the Company; (c) as may be required by law to disclose.

11. Termination:

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.

On account of any change in circumstances, if you do not meet the criteria for "independence" as envisaged in Section 149(6) of the Companies Act, 2013 (as amended from time to time), you shall promptly submit your resignation to the Company with effect from the date of such change in status.

12. Conflict of interest:

By accepting this appointment, you are deemed to have confirmed that, your appointment as an Independent Director of the Company and any other position you hold including your directorships in other organizations, will not give rise to any 'conflict of interest'. In case you become aware of any conflict or potential conflict during the period of your appointment, you are expected to notify the same to the board.

13. Disclosures:

13.1 Pursuant to the provisions of Section 184(1) of the Companies Act, 2013 you are required to disclose your concern or interest in any company or companies or bodies corporate, firms or other association of individuals which shall include the shareholding, as prescribed under the Rule 9 of the Companies (Meetings of the Board and its Powers) Rules, 2014.

13.2 The Company has an obligation to include in its Annual Accounts a note of any material interest that a Director may have in any transaction or arrangement that the Company has entered into. Such interest should be disclosed not 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.

13.3 Pursuant to the provisions of Section 149(7) you are required to give a declaration that you meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 in the prescribed format. **(Annexure II)**. Thereafter at the first meeting of the Board in every financial year

14. General:

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

14.2 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.

14.3 If you are willing to accept these terms of appointment relating to your appointment as a non executive Independent Director of the Company, kindly confirm your acceptance of these terms by signing and returning to us the enclosed copy of this letter.

Yours sincerely

For and on behalf of **Bhishma Realty Limited**

Chairman and Managing Director

DIN: _____

Address:

I hereby acknowledge receipt of and accept the terms set out in this letter.

TERMS OF APPOINTMENT OF INDEPENDENT DIRECTOR

Annexure – I

CODE FOR INDEPENDENT DIRECTORS

In terms of the provisions of Section 149(7) of Companies Act, 2013 (the Act 2013) and other applicable provisions, it is mandatory for all Independent Directors to adhere with the Code has been prescribed under Schedule IV of the Act 2013 and the same is reproduced herein below for your perusal and ready reference.

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfillment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of independent directors.

I. Guidelines of professional conduct:

An independent director shall:

- Uphold ethical standards of integrity and probity;
- Act objectively and constructively while exercising his duties;
- Exercise his responsibilities in a bona fide manner in the interest of the Company;
- Devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- 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;
- Not abuse his 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;
- Refrain from any action that would lead to loss of his independence;
- Where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- Assist the Company in implementing the best corporate governance practices.

II. Roles and Functions

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 those 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.

III. Duties:

An independent director shall:

- Undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
- 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;
- Strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member
- Participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- strive to attend the general meetings of the Company;
- Where they 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 their concerns are recorded in the minutes of the Board meeting;
- Keep themselves well informed about the Company and the external environment in which it operates;

- Not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- 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;
- 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;
- Report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
- Acting within his authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
- 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.

IV. Manner of appointment:

- Appointment process of independent directors shall be independent of the Company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.
- The appointment of independent director(s) of the Company shall be approved at the meeting of the shareholders.
- The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfils the conditions specified in the Companies Act, 2013 and the rules made there under and that the proposed director is independent of the management.
- The appointment of independent directors shall be formalized through a letter of appointment, which shall set out
 - The term of appointment;
 - The expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;
 - The fiduciary duties that come with such an appointment along with accompanying Liabilities;
 - Provision for Directors and Officers (D and O) insurance, if any;
 - The Code of Business Ethics that the Company expects its directors and employees to follow;
 - The list of actions that a director should not do while functioning as such in the Company; and
 - The remuneration, mentioning periodic fees, reimbursement of expenses for Participation in the Boards and other meetings and profit related commission, if any.

- The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the Company by any member during normal business hours.
- The terms and conditions of appointment of independent directors shall also be posted on the Company's website.

V. Re-appointment:

The re-appointment of independent director shall be on the basis of report of performance evaluation.

VI. Resignation or removal:

- The resignation or removal of an independent director shall be in the same manner as is provided in sections 168 and 169 of the Companies Act, 2013.
- An independent director who resigns or is removed from the Board of the Company shall be replaced by a new independent director within a period of not more than one hundred and eighty days from the date of such resignation or removal, as the case may be.
- Where the Company fulfils the requirement of independent directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

VII. Separate meetings:

- The independent directors of the Company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management;
- All the independent directors of the Company shall strive to be present at such meeting;
- The meeting shall:
 - review the performance of non-independent directors and the Board as a whole;
 - review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors;
 - 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

VIII. Evaluation mechanism:

- The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.
- On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

TERMS OF APPOINTMENT OF INDEPENDENT DIRECTOR

Annexure – II (DECLARATION OF INDEPENDENCE)

To,
The Board of Directors,
BHISHMA REALTY LIMITED
Sir Vithaldas Chambers,
16, Mumbai Samachar Marg,
Fort, Mumbai -400 001

Dear Sirs,

Sub: Declaration under sub-section (6) of section 149 of the Companies Act, 2013

I, _____, hereby declare that, in terms of the requirements as per sub-section (6) of section 149 read with Schedule IV to the Companies Act, 2013 (the Act):

- (1) I am/was not a promoter nor related to the promoters or directors in the Company;
- (2) Neither I nor my relative/s –
 - (a) have or had any pecuniary relationship or transaction with the Company, or their promoters or directors during the current Financial Year (FY) or two immediately preceding FYs. (For relatives- pecuniary relationship or transactions of 2% or more of its gross turnover / total income or Rs. 50 lakhs, whichever is lower);
 - (b) hold or had held the position of key management personnel or is or had been employee of the Company, in any of the immediately preceding three financial years;
 - (c) is or was an employee or proprietor or a partner, in any of the three immediately preceding financial years, in any of the following:
 - (i) a firm of auditors or Company secretaries in practice or cost auditors of the Company; or
 - (ii) any legal or consulting firm that has or had any transaction with the Company, amounting to 10% or more of the gross turnover of such firm.
 - (d) hold (together) 2% or more of the total voting power of the Company;

(3) Neither I nor my relative/s-

(a) is a Chief Executive or director (by whatever name called), of any non-profit organisation that receives 25% or more of its receipts from the Company, any of its promoters, directors or hold 2% or more of the total voting power of the Company; and

(4) I further declare that I will –

- (i) adhere to the standards as set out in the Code for independent directors as provided under Schedule IV of the Act;
- (ii) furnish such declaration, at the first meeting of the board in every financial year or whenever there is any change in the circumstances which may affect my status as an independent director, stating that I meet or do not meet the criteria of independence, in terms of the aforesaid provisions of the statutes.

Thanking you,
Yours truly,

Name _____
Independent Director
DIN: _____

Date :
Place: