

SPECIMEN

Date:

Name of the Director

(DIN :)

Address:

Mobile:

Email:

Sub: Appointment as an Independent Director

Ref: Board Resolution passed on _____ and AGM held on _____

We are pleased to inform you that the Members of the Company at the _____ Annual General Meeting (AGM) held on _____ have appointed your good self as an Independent Director of the Company for a period of __ (____) consecutive years w.e.f. __, 2019 i.e. the date of the Board of Directors Meeting of the Company where your appointment was considered.

The terms and conditions of your appointment are as follows -

1. Term of Appointment: __ (____) Years w.e.f. _____ (Date of Board Meeting)
2. Role and functions:

Your role and functions shall be guided as per the Code for Independent Directors (Schedule IV) pursuant to Section 149(8) of the Companies Act, 2013, which have been stipulated as under:

- a) 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) bringing an objective view in the evaluation of the performance of board and management;
- c) scrutinising the performance of management in meeting agreed goals and objectives and monitoring the reporting of performance;
- d) satisfying oneself on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- e) safeguarding the interests of all stakeholders, particularly the minority shareholders;
- f) balancing the conflicting interest of the stakeholders;
- g) determining appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommending removal of executive directors, key managerial personnel and senior management;

- h) moderating and arbitrating in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.
3. The Board expects a time commitment from your good self which would include the following:
- a) You shall strive to attend all meetings of the Board of Directors and of the Board Committees of which you are a Member;
 - b) You shall participate constructively and actively in the Committees of the Board in which you are a Chairperson or Member;
 - c) You shall strive to attend the General Meetings of the Company.

You shall be intimated in advance of the date, time and venue of the meetings of the Board or Committee thereof in which you are a member and Annual General Meeting and General Meetings, if any, for attending the said meetings.

4. While performing your duties as an Independent Director, the Board expects you to:
- a) 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;
 - b) ensure, where you have concerns about the running of the Company or a proposed action, that these are addressed by the Board and, to the extent that they are not resolved, insist that concerns are recorded in the minutes of the Board meeting;
 - c) keep yourself well informed about the Company and the external environment in which it operates;
 - d) not to unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board;
 - e) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure that the same are in the interest of the Company;
 - f) 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;
 - g) report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
 - h) act within authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
 - i) 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;
 - j) constructively challenge and contribute to the development of overall strategy of the Company;
 - k) undertake appropriate induction and regularly update and refresh your skills,

knowledge and familiarity with the Company.

5. The Company has taken Directors' and Officers' Liability Insurance Policy to safeguard and protect the interests of its Directors and Officers from any contingent liabilities as a good corporate governance measure. The current limit is Rs. _____/- (Rupees _____ Only). The said Policy is valid for a period of one year i.e., from _____ to _____ and is renewed from time to time.
6. The Independent Directors are expected to:
 - a) abide by the Code for Independent Directors as specified under Schedule IV to the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015 including any amendment thereof in future.
 - b) abide by the BRNL Code of Conduct for Board of Directors and Senior Management formulated and approved by the Board.
 - c) follow the below mentioned professional conduct as an Independent Director of the Company:
 - i. uphold ethical standards of integrity and probity;
 - ii. act objectively and constructively while exercising your duties;
 - iii. exercise responsibilities in a bona fide manner in the interest of the Company;
 - iv. devote sufficient time and attention to your professional obligations for informed and balanced decision making;
 - v. where circumstances arise which make an Independent Director lose his independence, the Independent Director must immediately inform the Board accordingly;
 - vi. assist the Company in implementing the best corporate governance practices.
7. List of actions prohibited:

You shall not:

 - a) serve as an Independent Director in more than 7 (seven) listed Companies or such increased or decreased limit as may be specified in future under Regulation 25 of the SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015. However, if you are serving as a wholetime director in any listed company, you shall serve an Independent Director in not more than 3 (three) listed companies;
 - b) disclose the information acquired during your appointment as an Independent Director which are confidential to the Company and should not be disclosed either during your appointment or following termination (by whatever means) to third parties except as permitted by law and with prior clearance from the Chairman;
 - c) undertake any action that would lead to loss of independence;

- d) 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;
- e) allow any extraneous considerations that will vitiate 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) enter into any agreement by yourself or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company. Further, you shall not enter into any such agreement, unless prior shareholders' approval for the same has been taken by way of an ordinary resolution in the manner as specified under Regulation 26(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- g) participate in a discussion for a contract or arrangement or a proposed contract or arrangement with a body corporate or a firm or other entity, in case you are interested, directly or indirectly, inter-alia, due to following reasons and shall bring the same to the notice of the Board forthwith -
 - You, either individually or together with other directors, hold more than 2% shareholding of that body corporate or are a Promoter, Manager, Chief Executive Officer of that body corporate;
 - You are a partner of that firm or owner or member of that entity.

8. Remuneration:

- a) You shall be paid sitting fees for attending the meetings of the Board or any Committee thereof or for any other purpose whatsoever as may be decided by the Board from time to time;
- b) You shall be paid profit linked commission as may be decided by the Board from time to time as well as General Meetings;
- c) You shall be reimbursed the expenses for participation in the Board and other Committee meetings;
- d) Pursuant to Section 197(4), you shall be entitled to professional fees if the services rendered to the Company by your good self are of a professional nature and you have the requisite qualification for the practice of the profession. The payment of fees shall be subject to the approval of Nomination and Remuneration Committee and the Board of Directors.

9. Discontinuation:

- a) Your Directorship on the Board of the Company shall terminate or cease in accordance with law or in accordance with provisions contained in the Articles (as may be amended from time to time). Apart from the grounds of termination as specified in the Act or Articles, your Directorship may be terminated for violation of any provision of the Code of Conduct of the Company;

- b) 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;
- c) If, at any stage during the term of your Directorship, there is a change that may affect your status as an Independent Director as envisaged in Section 149(6) of the Act, or if applicable, you fail to meet the criteria for 'independence' under the provisions of the SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015, you agree to promptly submit your resignation to the Company with effect from the date of such change. You shall also promptly submit your resignation to the Company as and when the Board of Directors by majority decision pass a resolution to that effect;
- d) If, at any stage during the term of your Directorship, you are restrained from acting as a Director by virtue of any SEBI order or any other such authority, you agree to voluntarily resign with immediate effect, failing which the Company shall initiate the process of removal in terms of relevant sections of the Companies Act, 2013;
- e) Upon such termination or resignation for any reason or on not having been re-appointed by the shareholders for any reason, you shall not be entitled to any damages or compensation for loss of office or otherwise and no fee or remuneration or commission, as the case may be, will be payable to you in respect of any unexpired portion of the term of your appointment.

10. Evaluation:

The performance of the Board, its Committees and individual Directors will be evaluated in accordance with Company's Policy and framework for Board evaluation. The results of the Performance Evaluation will be taken into account at the time of considering your re-appointment on the Board. The criteria of evaluation will be determined by the Nomination and Remuneration Committee. However, subject to applicable laws, the actual evaluation process will be kept confidential and will be used constructively to improve Board's performance and effectiveness.

11. Others:

You shall give annual declaration as required under the provision of Section 149(7) of the Companies Act, 2013 and the rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Besides above, you shall provide following disclosures as required under the Companies Act, 2013 and Rules framed thereunder, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (Prohibition of Insider Trading) Regulations, 2015:

- a) Consent in writing to act as Director in Form DIR-2;

- b) Intimation in Form DIR-8 to the effect that you are not disqualified under Section 164(2) of the Companies Act, 2013;
- c) Disclosure of interest or concern, directly or indirectly, in any company, body corporate, firms or other association of individuals in Form MBP-1 pursuant to Section 184(1) of the Companies Act, 2013 and the Rules thereunder at the first Board Meeting in which you participate as a Director and thereafter at the first Board Meeting in every financial year or whenever there is any change in the disclosures already made, then at the first Board Meeting held after such change;
- d) Disclosure of Committee positions occupied pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations');
- e) Disclosure in Form B pursuant to Regulation 7(1)(b) of SEBI (Prohibition of Insider Trading) Regulations, 2015 and BRNL Code of Conduct for Prohibition of Insider Trading;

The Appointment Letter is issued based on the Companies Act, 2013, Rules framed thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other Regulations prevalent at the time of appointment. Any change in the above shall automatically entail changes in the terms and conditions.

We look forward for your valuable contribution and guidance to the growth of the Company.

Thanking you.

Yours faithfully,

For and on behalf of Board of Directors

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Managing Director
Bharat Road Network Limited

ACKNOWLEDGEMENT

I hereby accept my appointment as an Independent Director on the Board of **Bharat Road Network Limited**.

I have read and agree to the above terms regarding my appointment as an Independent Director of Bharat Road Network Limited and accord my consent to the same.

I am also enclosing herewith my brief profile, PAN Card, ID Proof and statutory declarations as stated above.

(Name of the Director)

Independent Director

DIN:

Date:

Place: