To,

The Independent Director

Address:

Respected Sir,

**Sub: Re-appointment as an Independent Director for second term.**

Pursuant to the appointment as Independent Director for the second term by the Board of Directors of the Company subject to approval of shareholders, we are pleased to inform that the Shareholders of BSES Rajdhani Power Limited ('BRPL' or 'the Company') in its Annual General Meeting have appointed you as an Independent Director of the Company for a term of five consecutive years. This letter has been issued to formalize your appointment as an Independent Director under paragraph IV (4) of Schedule IV of the Companies Act, 2013. The Nomination and Remuneration Committee (NRC) of the Board and the Board of Directors had reviewed and recommended to the shareholders for your appointment as an Independent Director of the Company. It may please be noted that this is a contract for services and is not a contract of employment.

1. **Independence**

We would inform you that your appointment as an Independent Director is in due consideration of your declaration of being qualified as Independent and this appointment is subject to your continued status as being "Independent" as per the requirements of the Companies Act, 2013,as may be amended from time to time. Should there be any change in the circumstances due to which it may be difficult for you to retain your Independence; we would request you to immediately bring this to the attention of the Chairperson of the Nomination and Remuneration Committee (henceforth referred as Chairperson).

1. **Appointment**

Your re-appointment is for a period of five years commencing on July 28, 2020, unless otherwise terminated earlier by and at the discretion of either party.

**2.1** You, while being a member of Board of Directors, may be invited/ nominated for appointment on various committees of the Board of Directors, as set up from time to time.

**2.2** Pursuant to your re-appointment you continue to be the member of Audit Committee, Nomination and Remuneration Committee and Investment Committee.

Your re-appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company from time to time in force.

1. **Time Commitment**

As an Independent director, under the Companies Act, 2013, an onerous responsibility has been cast on you to perform certain duties. You are requested to devote such time as is necessary for the proper performance of your duties as an Independent Director. It is intended that the Company will hold minimum four regular Board meetings in a year, but you may be expected to attend additional meetings, if circumstances require. You will also be required to attend the Annual General Meeting and to meet occasionally with major Shareholders, Management, Staff and Professional Advisers.

1. **Roles and Responsibilities**

Independent Directors have the same general legal responsibilities to the Company as any other Director. The Board as a whole is collectively responsible for the success of the Company. The Board:

* Sets the Company's values and standards and ensures that its obligations to Its Shareholders and others are understood and met.
* Provides entrepreneurial leadership to the Company within a framework of prudent and effective controls which enable risk to be assessed and managed.
* Sets the Company's strategic aims, ensures that the necessary financial and human resources are in place for the Company to meet its objectives, and reviews management performance

As an Independent Director of the Company, you are required

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* To act in accordance to the provisions of the Companies Act 2013 and rules made there under, as amended from time to time.
* to act in accordance with the Company's Articles of Association.
* to 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, its employees, the shareholders, the community and for the protection of the environment.
* to discharge your duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
* not to involve yourself in a situation conflicting with the interest of the Company and to put the interests of the Company above others.
* not to achieve or attempt to achieve any undue gain or advantage either to yourself or to any person *I* party related to you.
* shall not assign your office and any assignment so made shall be void.

In addition to the above requirements applicable to all Directors, your role as one of the Independent Directors shall also include duties as prescribed in Schedule IV of Companies Act, 2013 as enclosed.

1. **Fees**

As consideration for the services rendered by you as an Independent Director, you will be entitled to a sitting fee as may be decided by the Board for attending each meeting of the Board and Committee thereof. The Company will reimburse you all reasonable and properly documented expenses that you incur in performing the duties for the Company.

1. **Outside interests**

We acknowledge that you may have interests other than those of the Company and have declared the same to the Company. In the event that you become aware of any potential conflicts of interest ,these should be disclosed to the Chairperson and Company Secretary of the Company as soon as apparent.

During your appointment as an Independent Director you should not become involved (whether directly or indirectly) in any enterprise which might reasonably be considered to compete or have a significant relationship with the Company or any member of this Group.

1. **Confidentiality**

During your tenure as Independent Director of the Company, you will be privy to information that is confidential to the Company. All such information acquired during your appointment should not be released, either during your tenure as Director to third parties without prior clearance from the Chairperson.

We would draw your attention to the requirements under both legislation and regulation as to the disclosure of price sensitive information. Consequently, you are requested to avoid making any statements that might risk a breach of these requirements without prior clearance from the Chairperson or Company Secretary of the Company.

1. **Skill Upgradation**

The Company shall, as may be required, support Directors to continually update their skills and knowledge and improve their familiarity with the Company and its business.

1. **Evaluation Process**

As a member of the Board, your performance as well as the performance of the entire Board and its Committees shall be evaluated annually. Evaluation of each Director shall be done by all the other Directors. The criteria for evaluation shall be determined by the Nomination and Remuneration Committee of the Board and disclosed in the Company's Annual Report. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board *I* Committees. If, in the interim, there are any matters which cause you concern about your role, we urge you to discuss them with the Chairperson as soon as is appropriate.

1. **Insurance**

Directors and Officers Liability Insurance is provided by the Company, subject to the terms of the policy from time to time in force (which may be subject to change). A copy of the current policy is available with the Company Secretary.

1. **Independent Professional Advice**

In the course of your duties as a Director, you may take advice from Independent Professionals.

1. **Regulations and Corporate Governance Practices**

Your duties include responsibility for ensuring that reasonable steps are taken in order that the Company, its Directors and their relatives and other concerned (wherever appropriate) comply with:

* Articles of Association
* Companies Act, 2013
* The Company's code of business ethics for Directors, with which you are required to confirm compliance annually

You shall not enter/undertake any activity restricted to be undertaken in your capacity as an Independent Director.

1. **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 your term, you agree to render all reasonable assistance and cooperation to the Company and to provide such information *and* documents as are necessary and reasonably requested by the Company or its counsel.

1. **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 at Delhi.

We are confident that the Board and the Company will benefit immensely from your rich experience.

Thanking you

**By order of the Board of Directors**

**For BSES Rajdhani Power Limited**

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**Pankaj Tandon**

**Company Secretary**

*Encl:*

*Schedule IV of Companies Act, 2013 (Code for Independent Directors)*