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Dated:

Dear Sir/Madam,

**Sub: Appointment as an Independent Director for Fixed Term**

The Board of Directors of Talwandi Sabo Power Limited are pleased to appoint you as an Independent Director of the Company for a term of ..... years with effect from ..... till ..... The appointment has also been approved by the by the Shareholders on .....

This letter sets out the terms of your appointment / re-appointment. The terms of your appointment as set out in this letter are to the extant provisions of the Companies Act, 2013 & Rules framed thereunder.

**Appointment/Re-appointment**

You are appointed as an Independent Director of the Company for a term of ..... years with effect from ..... till ..... unless terminated earlier or extended, as per the provisions of this letter or applicable laws.

As an Independent Director you will not be liable to retire by rotation.

Re-appointment at the end of your term shall be based on the recommendation of the Nomination & Remuneration Committee and subject to the approval of the Board and the Shareholders. Your re-appointment shall be considered by the Board based on the outcome of performance evaluation process and you continuing to meet the Independence criteria.

**1. Committees of the Board**

In addition to serving as an Independent Director of the Company, you may be appointment on the Committees of the Board from time to time, and any such appointment shall be promptly communicated to you.

## **2. Induction & Development**

The Company shall conduct formal induction program for its Independent Directors which may include the following:-

- Boards Role and Responsibility;
- Company's strategic plans, its financial statements, key policies and practices and other key details pertaining to business of the Company;
- Familiarization with the management team and business operations
- Visits to business location;
- Periodical familiarization program on changes in Companies Act, 2013 and its provisions;
- Meeting with Company's Executives.

Apart from the above, you may ask for further details and information as would help broaden your understanding of the Company and its business & operation and would enable you to perform your role as director more effectively and efficiently.

## **3. Code of Conduct and Roles, Duties & Responsibilities**

As a Member of the Board you along with other Directors will be collectively responsible for meeting the objectives of the Board which includes:-

- Your role, duties & responsibilities will be those normally required of a Non-Executive Independent Director outlined under the Companies Act, 2013 and Corporate Governance requirements. For your ready reference, the relevant provisions have been extracted and attached to this letter as Annexure 1.
- You will abide by the Talwandi Sabo Power Limited Code of Business Conduct & Ethics to the extent applicable to the Independent Director of the Company, as set out in Annexure 2.
- Directors are prohibited from dealing in the Company's shares during the period the trading window is closed. You are required to comply with the applicable insider trading laws prohibition and regulations as set out in Annexure 3.
- As an Independent Director you are expected to bring objectivity and independence of view to the Board's discussion and to help provide the Board with Board with effective relationship in relation to the Company's strategy, performance, and risk management as well as ensuring high standards of Corporate Governance. You will be expected to attend Board/Board Committee to which you are appointed and Shareholders Meeting and to devote such time as appropriate to discharge your duties effectively and work on various Committees as well.

#### **4. Fees / Commission**

Subject to the provisions of the Companies Act, 2013 and other applicable provisions if any, it is proposed to pay you ..... as annual remuneration which will include sitting fees for attending the Board & Committee Meetings and Commission, payable to you at the end of each financial year.

#### **5. Directors & Officers Insurance**

Talwandi Sabo Power Limited has Directors and Officers Liability Insurance and it is intended to maintain such insurance cover for the term of your appointment, subject to the terms of such policy in force from time to time. A copy of the policy document can be furnished upon request.

#### **6. Performance Appraisal / Evaluation Process**

As a member of the Board, your performance as well as the performance of the entire Board and its Committee shall be evaluated annually. The criteria for evaluation shall be disclosed in the Company's Annual Report. Your appointment and re-appointment on the Board shall be subject to the outcome of the yearly evaluation process.

#### **7. Disclosure**

During your term, you agree to promptly notify the Company of any change in your directorships, and also to provide a declaration under Section 149(7) of the Companies Act, 2013, upon any change in circumstances which may affect your status as an Independent Director.

#### **8. Termination**

Your Directorship on the Board of the Company shall terminate or cease in accordance with the provisions of the Companies Act, 2013. You may resign from the Directorship of the Company stating the reasons for resignation.

If at any time during your tenure, there is a change that may affect your status as an Independent Director as envisaged in Section 149(6) of the Companies Act, 2013, you agree to inform the change of status to the Board.

#### **9. Miscellaneous**

- You shall have access to confidential information of the Company and you shall use reasonable efforts not to disclose the same to any third party.
- No waiver or modification of this letter shall be valid unless made in writing and signed by you and the Company.
- As per Schedule IV of the Companies Act, 2013 the terms and condition of appointment of an Independent Director shall be disclosed on the Company's website.

### 10. Governing Law

This letter of appointment is governed by and will be interpreted in accordance with the Indian Law and subject to the Jurisdiction of Indian Courts.

It is a pleasure to have you on Board. Your association, expertise and advice will immensely benefit the Company and the Board.

Please confirm your acceptance of these terms by signing and returning to us the enclosed copy of this letter.

We thank you for your continued support and commitment to the Company.

**Yours Sincerely,**

**Date:**

**For Talwandi Sabo Power Limited**

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**Name:**

**Designation: Chairman**

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### AGREE AND ACCEPT

I have read and understood the terms of my appointment as an Independent Director of the Company and I hereby affirm my acceptance to the same.

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**Name:**

**Place:**