

BHARAT HOTELS LIMITED

Terms and Conditions of appointment of Independent Director

Dated:

Subject: Letter of Appointment - Independent Director

Dear Mr./Ms. _____,

I am pleased to inform you that shareholders of the Company at their Annual/ Extraordinary General Meeting held on _____ have approved your appointment as Independent Director on the Board of Directors of the Company.

This letter sets out the terms of your appointment as an Independent Director of the Company as under:-

1. Appointment:

- 1.1 You have been appointed as Non-Executive Independent Director on the Board of Directors of the Company for a period of five consecutive years with effect from _____ to _____, subject to the provisions of the Companies Act, 2013 (the "Act").
- 1.2 In accordance with provisions of Section 149(13) of the Act, your directorship is not subject to retirement by rotation.
- 1.3 You shall ensure that you do not take directorship more than maximum permissible under the provisions of the the Companies Act, 2013 and any other applicable provisions.
- 1.4 Your resignation or removal from Directorship shall be in the manner as provided under Section 168 & 169 of the Companies Act, 2013. Upon termination or your resignation from Directorship of the Company, you will not be entitled to any compensation for loss of office.
- 1.5 Re-appointment at the end of the Term shall be based on the recommendation of the Nomination & Remuneration Committee and shall be subject to the approval of the Board and the shareholders.

2. Code for Independent Directors:

- 2.1 As required under Section 149 (8) of the Companies Act, you shall abide by the Code for Independent Directors provided under Schedule IV to the Act.

A copy of Schedule IV covering the Code for Independent Directors is attached for your reference.

3. Committees:

- 3.1 The Board of Directors of the Company may, if it considers necessary, invite you for being appointed as Member/Chairman of one or more of its Committees which will be covered in separate communication setting out the relative Committee's terms of reference and any specific responsibilities.

4. Commitment of Time:

- 4.1 As a Non-Executive Independent Director, you shall bring objectivity and independence of view to the Board discussions and help the Board with effective leadership in relation to the Company's strategy, performance and risk management besides ensuring higher standards of financial probity and corporate governance.

The Board will meet at least 4 times in a year. In addition, there are other meetings of Committees of Board like Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee which are ordinarily held as per the requirements.

You will be expected to attend the meetings of Board of Directors and Committee of Board of which you are a Member and the Meetings of shareholders. You are also expected to devote sufficient time and attention to the Board discussions.

5. Role and Duties:

- 5.1 Your role and duties will be those normally required of a Non-Executive Independent Director under the Act and the Rules made there under.

There are certain duties described for all directors, both Independent and Non- Independent, which are fiduciary in nature and re-produced below:

- a) To act in accordance with the Articles of Association of the Company;
- b) To act in good faith to promote the objects of the Company in the best interests of the Company;
- c) To discharge duties with due and reasonable care, skill and diligence;

- d) Not to get involved in a situation which may be in direct or indirect conflicts or may conflict with the interests of the Company;
- e) Not to make or attempt to make any undue gain or advantage either to yourself or to your relatives, partner or associates;
- f) Not to assign your office as director and any assignments so made shall be void.

5.2 In addition to the above requirements applicable to all the directors of the Company, you as a Non-Executive Independent Director shall have the following additional responsibilities:

- a. Strategy: Constructively challenge and help develop proposals on strategy.
- b. Performance: Scrutinize the performance of Management in Meeting agreed goals and objectives.
- c. Risk: Integrity of financial information and that financial controls and systems of risk management are robust and defensible.
- d. People: Determining the appropriate levels of remuneration of Executive Directors as per the recommendation of Nomination and Remuneration Committee and appointment of the Executive Directors.
- e. Reporting: Accurate reporting on the performance and financial position of the Company.
- f. Compliance: Compliance with the applicable legislations and regulations and conformity of the Company's practices to accepted norms.

6. Status of Appointment:

6.1 You shall not be treated as an employee of the Company and this letter shall not be construed as a contract of employment. You will be paid remuneration by way of sitting fees for attending the meetings of the Board and its Committees as may be decided by the Board from time to time.

7. Reimbursement of Expenses:

7.1 The Company will, during the period of your appointment, either arrange your travel or reimburse the travel and other incidental expenses incurred by you in the performance of your role and duties.

8. Confidentiality:

8.1 All the information acquired during your tenure is confidential to the Company and should not be released either during your appointment or following relinquishment of the office to third parties without prior approval of the Chairperson unless required by the Law or by the Rules of any Stock Exchange or Regulatory Body.

9. Evaluation:

- 9.1 The Board of Directors will conduct performance evaluation of all the directors including Independent Directors.

10. Insurance:

- 10.1 The Company maintains a Directors and Officers Liability insurance amounting to Rs. 8.00 crores to pay for the personal liability of directors and officers for claims made against them while serving on the Board and / or as an officer of the Company.

11. Disclosure of Interest:

- 11.1 The Company has to include in its Annual Report a note of any material interest that a Director may have in respect to any transaction or arrangement that the Company has entered into.

You are required to disclose such interest not later than when the transaction or arrangement comes up at a Board meeting so that the minutes may record your interest appropriately and the Company's records are updated.

A general notice in the prescribed form disclosing that you are interested in any contract(s) with particular person, firm or company is acceptable.

During the Term, you should promptly notify the Company of any change in your directorships, and provide such other disclosures and information as may be required under the applicable laws.

You should upon becoming aware of any potential conflict of interest with your position as Independent Director of the Company, promptly disclose the same to the Chairperson and the Company Secretary.

During your Term, you have to promptly provide a declaration under Section 149(7) of the 2013 Act, upon any change in circumstances which may affect your status as an Independent Director.

12. Termination:

- 12.1 Your directorship on the Board of the Company shall terminate or cease in accordance with law. 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.

If at any stage during the Term, there is a change that may affect your status as an Independent Director as envisaged in Section 149(6) of 2013 Act, you agree to promptly submit your resignation to the Company with effect from the date of such change.

13. Cooperation

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 provide such information and documents as are necessary and reasonably requested by the Company or its counsel.

14. Publication of the letter of Appointment:

In line with the provision of Sub-clause (6) of Clause IV of Schedule IV to the Act, the Company will make public the terms and conditions of your appointment and will also arrange for it to be displayed in the Company's website.

15. Changes of personal details

During the Term, you shall promptly intimate the Company Secretary and the Registrar of Companies in the prescribed manner, of any change in address and other contact and personal details provided to the Company.

16. Governing Law:

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

Please 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 **Bharat Hotels Limited**

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

(Signature)