

**REGISTERED OFFICE ADDRESS**

Resilient Innovations  
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**LETTER OF APPOINTMENT**

Date:

To,

[●] Name of the Independent Director

[●] Address of the Independent Director

**Sub: Appointment as an Independent Director of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013**

Dear

[●] Name of the Independent Director,

We thank you for consenting to hold office as an Independent Director of the Company. We also thank you for confirming to us that you meet the independence criteria and satisfy all other eligibility conditions for appointment as an Independent Director of the Company as provided under Section 149 and other applicable provisions of the Companies Act, 2013 (“**the Act**”).

It gives me immense pleasure to inform you that the members of the Company at their general meeting held on September 12, 2022 have, on the recommendation of the Board of Directors in its meeting held on September 09, 2022, appointed you as an Independent Director of the Company, for a tenure of 3 (three) consecutive years starting from September 12, 2022 to September 11, 2025.

This letter is being issued outlining the terms of your appointment, subject to the provisions of applicable laws including the provisions of the Act and the Articles of Association of the Company, which are as follows:

**1. Appointment:**

- a. Your appointment as an Independent Director on the Board of Directors of the Company is subject to the provisions of the Act (including any subsequent amendment thereof) which shall be effective from September 12, 2022 for a period of 3 (three) consecutive years up to September 11, 2025.

Re-appointment at the end of the term shall be based on the recommendation of the Board of Directors and committee of the Board (if any), report of performance evaluation and subject to the approval of shareholders of the Company.

- b. Please take note that continuance of independent directorship is subject to fulfillment of certain parameters of independence as defined in Section 149(6) of the Act (extract enclosed at **Annexure 1**).

## 2. Committees:

The Board of Directors may from time to time invite you for being appointed on one or more existing Board Committees or any such Committee that is set up in the future. Your appointment on such Committee(s) will be subject to the applicable law. Upon your appointment, you will be provided with the appropriate committee charter which sets out the functions of that Committee.

## 3. Time Commitment:

- a. As an Independent Director you are expected to bring objectivity and independent view to the Board's discussions and to help provide the Board with effective leadership in relation to the Company's strategy, performance, and risk management as well as ensuring high standards of financial probity and corporate governance.
- b. The Board meets at least four times in a calendar year. Besides this, the Board may request you from time to time for being appointed on one or more of the committees as may be formed, and their meetings might be ordinarily convened as and when necessary and as per the Act.
- c. You are expected to devote such time as may be necessary for you to discharge your duties and to meet the expectations of the Board, shareholders and other stakeholders.
- d. The Board aims to have at least one "independent directors only" meeting during each financial year so that they can have a full and frank discussion on the performance of the Company, risks faced by the Company, performance of executive members of the Board and other matters as stated in Schedule IV of the Act (referred hereinafter). You may invite the Chairman, any executive director or any other senior management personnel to make presentations on relevant issues.
- e. By accepting this appointment, you confirm that you are able to allocate sufficient time to meet the expectations from your role to the satisfaction of the Board.

## 4. Role, Duties and Responsibilities:

The Company expects its directors to uphold ethical standards of integrity and probity. As an Independent Director, you shall be required to undertake such roles, responsibilities, duties & functions as prescribed in Schedule IV and such other applicable provisions, if any, of the Act, other applicable laws, and such other duties as may be determined by the Board from time to time. As an Independent Director of the Company, you shall be required to bestow all the fiduciary duties along with the accompanying liabilities that come with your appointment as an Independent Director. A copy of Code for Independent Directors as per Section 149(8) of the Act read with Schedule IV along with extracts of other relevant provisions of the Act is enclosed and marked as **Annexure 2** for your reference.

## 5. Code of Conduct:

- a. In addition to 'Guidelines of Professional Conduct' as stated under the Schedule IV of the Act, you will be required to abide by:
  - i. 'Code of Conduct for Directors and Senior Management Personnel' Policy of the Company
  - ii. 'Whistle Blower/ Vigil Mechanism Policy' of the Company
  - iii. 'Anti- Bribery and Anti-Corruption Policy' of the Company

- iv. such other codes/ policies formulated by the Company from time to time.

You shall not perform any actions which are in violation of the provisions of law and Codes/Policies of the Company. With the acceptance of this letter, you agree to comply with such charters and policies, as may be applicable to the Company and its Directors and acknowledge that you are in conformity with them.

**6. Status of Appointment:**

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

**7. Remuneration:**

- a. Subject to the Act and other applicable laws, you will be paid a monthly remuneration of [●].
- b. Additionally, you will be paid sitting fees of [●] for participating in each Board meeting or Committee Meeting or such other fees as may be prescribed by the Act and decided by the Board from time to time.
- c. The annual remuneration and the sitting fees may be revised upon approval of the Board and/or the shareholders in accordance with the limits as prescribed under the Act.
- d. Company will, for the period of your appointment, reimburse you for travel, hotel and other incidental expenses incurred by you in connection with your attending the meetings of the Board and/or Committees thereof.
- e. You will not be entitled to any Stock Option, unless permitted under the provisions of the Act.

**8. Induction and Development:**

The Company will conduct an induction program to improve your familiarity with the Company and its business.

**9. Performance Evaluation:**

- a. Your re-appointment or extension of term will be based on performance evaluation which shall be done by the entire Board of Directors, excluding you.
- b. The criteria for evaluation shall be determined by the Board or Committee of the Board as the case may be.

**10. Disclosure of Interest:**

- a. During your term, you may promptly notify the Company, any changes in your directorships and submit such other disclosures, information and details as may be required under the Act and other applicable law.
- b. During your tenure, you agree to provide a "Declaration of independence" under Section 149(7) of the Act upon any change in circumstances which may affect your status as an Independent Director of the Company or giving rise to a conflict of interest.

## **11. Insurance**

The Company has Directors' and Officers' liability insurance (to a limited extent) and it is intended that the Company will assume and maintain such cover for the full term of your appointment.

## **12. Independent Professional Advice**

There may be occasions when you consider that you need professional advice in furtherance of your duties as a Director. You may consult independent advisors at the Company's expense subject to an advance intimation to the Company about such proposed consultation. The Company will reimburse any such cost incurred in accordance with the Company's policy.

## **13. Confidentiality:**

All non-public information acquired during your appointment is confidential to the Company and should not be released, either during your appointment or following termination (by whatever means) to third parties without prior clearance from the Chairman or Chief Executive Officer unless required by law or regulatory body. On reasonable request, you shall surrender any documents and other materials made available to you by the Company.

## **14. Resignation/Termination:**

- a. You may resign from your position at any time and should you wish to do so, you are requested to serve a reasonable written notice on the Board. Your appointment for a second term is contingent on your getting re-elected by the shareholders in accordance with provisions of Act. You will not be entitled to compensation if the shareholders do not re-elect you at any time. Further, in terms of provisions of the Act, you may file a copy of your resignation letter with the Registrar of Companies.
- b. Your appointment may also be terminated in accordance with the provisions of the Act and other applicable laws. Apart from the grounds of termination as specified in the Act, your Directorship may be terminated for violation of any provision of the Code of Conduct/any Company policy(ies) applicable to you.

## **15. Miscellaneous:**

Subject to applicable laws, this letter along with your detailed profile shall be disclosed on the website of the Company.

## **16. 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.

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

We look forward to welcoming you on the Board. I am sure that the Board and the Company will benefit substantially from your valuable contribution and inputs.

<p>Yours sincerely,</p> <p><b>For Resilient Innovations Private Limited</b></p>	<p>I hereby acknowledge receipt of and accept the terms set out in this letter.</p>
<p>Signature: <b>Rajnish Kumar</b> <b>(Chairman)</b></p> <p><b>Date:</b></p>	<p>Signature: [●] Name of the Independent Director</p> <p><b>Date:</b></p>

**PARAMETERS OF INDEPENDENCE AS DEFINED IN SECTION 149(6) OF THE ACT****EXTRACT OF SECTION 149(6) OF THE ACT:**

An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director, —

(a) who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;

(b) (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;  
(ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;

(c) who has or had no pecuniary relationship, other than remuneration as such director or having transaction not exceeding ten per cent. of his total income or such amount as may be prescribed, with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;

(d) none of whose relatives—

(i) is holding any security of or interest in the company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year:

Provided that the relative may hold security or interest in the company of face value not exceeding fifty lakh rupees or two per cent. of the paid-up capital of the company, its holding, subsidiary or associate company or such higher sum as may be prescribed;

(ii) is indebted to the company, its holding, subsidiary or associate company or their promoters, or directors, in excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;

(iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters, or directors of such holding company, for such amount as may be prescribed during the two immediately preceding financial years or during the current financial year; or

(iv) has any other pecuniary transaction or relationship with the company, or its subsidiary, or its holding or associate company amounting to two per cent. or more of its gross turnover or total income singly or in combination with the transactions referred to in sub-clause (i), (ii) or (iii);

(e) who, neither himself nor any of his relatives—

(i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed; Provided that in case of a relative who is an employee, the restriction under this clause shall not apply for his employment during preceding three financial years.

(ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—

(A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

(B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;

(iii) holds together with his relatives two per cent. or more of the total voting power of the company; or

(iv) is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives twenty-five per cent. or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the company; or

(f) who possesses such other qualifications as may be prescribed.

Explanation. —For the purposes of this section, “nominee director” means a director nominated by any financial institution in pursuance of the provisions of any law for the time being in force, or of any agreement, or appointed by any Government, or any other person to represent its interests.

**CODE FOR INDEPENDENT DIRECTORS AS PER SECTION 149(8) OF THE ACT****SCHEDULE IV OF THE COMPANIES ACT, 2013****Code for Independent Directors**

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:

- (1) uphold ethical standards of integrity and probity;
- (2) act objectively and constructively while exercising his duties;
- (3) exercise his responsibilities in a bona fide manner in the interest of the company;
- (4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- (5) 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;
- (6) 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;
- (7) refrain from any action that would lead to loss of his independence;
- (8) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- (9) assist the company in implementing the best corporate governance practices.

**II. Role and functions:**

The independent Directors shall:

- (1) 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;
- (2) bring an objective view in the evaluation of the performance of board and management;
- (3) scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- (4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;



- (5) safeguard the interests of all stakeholders, particularly the minority shareholders;
- (6) balance the conflicting interest of the stakeholders;
- (7) 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;
- (8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

### **III. Duties :**

The independent Directors shall—

- (1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- (2) 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;
- (3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- (4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (5) strive to attend the general meetings of the company;
- (6) 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;
- (7) keep themselves well informed about the company and the external environment in which it operates;
- (8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- (9) 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;
- (10) 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;
- (11) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- (12) acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- (13) 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:**

(1) 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.

(2) The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.

(3) 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 fulfills the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.

(4) The appointment of independent Directors shall be formalised through a letter of appointment, which shall set out :

(a) the term of appointment;

(b) 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;

(c) the fiduciary duties that come with such an appointment along with accompanying liabilities;

(d) provision for Directors and Officers (D and O) insurance, if any;

(e) the Code of Business Ethics that the company expects its Directors and employees to follow;

(f) the list of actions that a director should not do while functioning as such in the company; and

(g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.

(5) 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.

(6) 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:**

(1) The resignation or removal of an independent director shall be in the same manner as is provided in sections 168 and 169 of the Act.

(2) An independent director who resigns or is removed from the Board of the company shall be replaced by a new independent director within three months from the date of such resignation or removal, as the case may be.

(3) Where the company fulfills 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:**

(1) The independent Directors of the company shall hold at least one meeting 3["in a financial year"], without the attendance of non-independent Directors and members of management;

(2) All the independent Directors of the company shall strive to be present at such meeting;

(3) The meeting shall:

(a) review the performance of non-independent Directors and the Board as a whole;

(b) review the performance of the Chairperson of the company, taking into account the views of executive Directors and non-executive Directors;

(c) 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:**

(1) The performance evaluation of independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.

(2) 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.

**EXTRACT OF SECTION 166 OF THE ACT:**

- (1) Subject to the provisions of this Act, a director of a company shall act in accordance with the articles of the company.
- (2) A director of a company shall 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 interests of the company, its employees, the shareholders, the community and for the protection of environment.
- (3) A director of a company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
- (4) A director of a company shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
- (5) A director of a company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.
- (6) A director of a company shall not assign his office and any assignment so made shall be void.
- (7) If a director of the company contravenes the provisions of this section such director shall be punishable with fine which shall not be less than one lakh rupees but which may extend to five lakh rupees.