

## **Letter of Appointment as Independent Director**

To,  
Director  
(DIN \_\_\_\_\_)  
Address \_\_\_\_\_

Dear Sir/ Madam,

**Sub:** Your appointment as an Independent Director on the Board of Vishvprabha Ventures Limited (the Company) in accordance with Companies Act, 2013.

On behalf of all the Board Members of Vishvprabha Ventures Limited (hereinafter referred to as Company), I would like to express our gratitude to appoint you as independent director on the Board of Directors (hereinafter referred as Board) of the Company with effect from \_\_\_\_\_. As an Independent Director you will not be liable to retire by rotation.

This letter of appointment set out the terms and conditions covering your appointment which are as follows:

### **1. Appointment:**

- 1.1 Your appointment is subject to the approval of Shareholders in the General Meeting and receipt of your consent to act as an Independent Director of the Company. That the appointment of Independent Director shall be approved by the Company in general meeting and the explanatory statement annexed to the notice of the general meeting called to consider the said appointment shall indicate your brief profile and justification for choosing the appointee for appointment as Independent Director.
- 1.2 You are appointed for a period of \_\_\_\_\_ years w.e.f. \_\_\_\_\_ upto \_\_\_\_\_.
- 1.3 Independent Director shall be eligible for being re-appointed as an Independent Director only after expiration of three years of ceasing to be an Independent Director.
- 1.4 The performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated. 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. Further, the re-appointment of Independent Director shall be on the basis of the report of performance evaluation.

## **2. Committee:**

The Board may, if it deems fit, 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 regulations.

## **3. Status of appointment:**

You will not be an employee of the Company and this letter shall not constitute a contract of employment. You will be paid such remuneration by way of sitting fees for meetings of the Board and its Committees as may be decided by the Board.

## **4. Sitting Fees**

An Independent Director shall be entitled to receive remuneration of by way of sitting fees for attending meetings of the Board or Committee thereof as may be fixed by Board from time to time. Further, you shall also be entitled to receive reimbursement of accommodation / air travel expenses, if any, for participating in the Board and other Committee meetings.

## **5. Commitment**

As an Independent Director you are expected to bring objectivity and independence of 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. The Audit Committee meets at least four times in a year. Besides, there are other Committee meetings like Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee and any other Committee as may be constituted by Board of Directors from time to time. You will be expected to attend Meetings of Board, Board Committees to which you may be appointed and Shareholders meetings and to devote such time to your duties, as appropriate for you to discharge your duties effectively.

## **6. Functions and Duties**

You will be expected to perform your duties, whether statutory or fiduciary in faithful, efficient and diligent manner. You will have all the usual duties of an independent director under Company Law and applicable Listing Agreement with NSE and BSE.

In addition to the above requirements, you shall abide by the Code of Independent Director as laid down under Schedule IV if the Companies Act, 2013, and clause 49 of listing agreement or any amendments thereto. A copy of the Schedule is attached for ready reference

## **7. professional conduct:**

Expectations of the Board:

The Board seeks members from diverse professional and personal backgrounds who

combine a broad spectrum of experience and expertise with a reputation for business acumen and integrity.

Following personal and professional characteristics are expected from Independent Directors:

- uphold ethical standards of integrity and probity;
- act objectively and constructively while exercising his/her duties;
- exercise his/her responsibilities in a bona fide manner in the interest of the Company;
- devote sufficient time and attention to his/her professional obligations for informed and balanced decision making;
- refrain from any action that would lead to loss of his/her independence;
- where circumstances arise which make an Independent Director lose his/her independence, the Independent Director must immediately inform the Board accordingly;
- assist the Company in implementing the best corporate governance practices.

An independent director shall:

- a. uphold ethical standards of integrity and probity;
- b. act objectively and constructively while exercising his duties;
- c. exercise his responsibilities in a bona fide manner in the interest of the company;
- d. devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- e. 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;
- f. 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;
- g. refrain from any action that would lead to loss of his independence;
- h. where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- i. assist the company in implementing the best corporate governance practices.

## **8. Role and functions:**

The independent directors shall:

- a. 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;
- b. bring an objective view in the evaluation of the performance of board and management;
- c. scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- d. satisfy themselves on the integrity of financial information and that financial control and the systems of risk management are robust and defensible;
- e. safeguard the interests of all stakeholders, particularly the minority shareholders;
- f. balance the conflicting interest of the stakeholders;

- g. 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;
- h. Moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

## **9. Duties:**

The independent directors shall—

- a. undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- b. 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;
- c. strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- d. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- e. strive to attend the general meetings of the company;
- f. 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;
- g. keep themselves well informed about the company and the external environment in which it operates;
- h. not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- i. 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;
- j. 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;
- k. report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- l. acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- m. 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.

## **10. Other Duties as per Group guidelines:**

### **a. Outside Interests**

It is accepted and acknowledged that you have existing outside interests (other than those that concern the Group) and have declared any conflicts that are apparent to you. In the event that your circumstances seem likely to change and might reasonably be regarded as likely to give rise to a conflict of interest, notification must be given to both the Board and Company Secretary.

Prior to accepting any new outside interest, you must make appropriate notifications to the Board and Company Secretary. You should not accept, take up or commence any such new outside interest until such notification has been made and, where relevant, has been authorized by the Board and / or Nomination Committee.

b. Confidentiality

All 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 Company. If consent is given you must ensure that any third party is bound by the same obligations of confidentiality.

Your attention is also drawn to the requirements under both legislation and regulation as to the disclosure of price sensitive information. Consequently, you should avoid making any statements that might risk a breach of these requirements without prior clearance from the Board.

c. List of actions Independent Directors should not do while functioning as such in the Company as per Annexure B

d. Continuous Education

The Company will review with each Independent Non-Executive Director their continuing training needs and it is the Company's intention that each Independent Non-Executive Director will continue to receive training on a continuing basis.

**11. Manner of appointment:**

- a. 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.
- b. The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.
- c. 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 fulfils the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.
- d. The appointment of independent directors shall be formalised through a letter of appointment, which shall set out :
  - ❖ the term of appointment;
  - ❖ 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;
  - ❖ the fiduciary duties that come with such an appointment along with accompanying liabilities;
  - ❖ provision for Directors and Officers (D and O) insurance, if any;
  - ❖ the Code of Business Ethics that the company expects its directors and employees to follow;
  - ❖ the list of actions that a director should not do while functioning as such in the company; and

- ❖ the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.
- e. 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.
- f. The terms and conditions of appointment of independent directors shall also be posted on the company's website.

**12. Re-appointment:**

The re-appointment of independent director shall be on the basis of report of performance evaluation.

**13. Resignation or removal:**

- a. 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.
- b. An independent director who resigns or is removed from the Board of the company shall be replaced by a new independent director within a period of not more than one hundred and eighty days from the date of such resignation or removal, as the case may be.
- c. Where the company fulfils 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.

**14. Separate meetings:**

- a. The independent directors of the company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management;
- b. All the independent directors of the company shall strive to be present at such meeting;
- c. The meeting shall:
  - ◆ review the performance of non-independent directors and the Board as a whole;
  - ◆ review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
  - ◆ 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.

**15. Evaluation mechanism:**

- a. The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.
- b. 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.

**16. Code Of Conduct**

While you are a director of the Company you will be expected to observe and affirm the Code of Conduct framed as per Schedule IV of the Companies Act, 2013 and rules made there under and applicable SEBI Regulations, Company's Code of Conduct appended below as Annexure A as well as Code of Conduct for prevention of Insider Trading as may be amended from time to time (policy enclosed) & Code of Fair Disclosure of the Company (format enclosed)

**17. Liability**

As an Independent Director you will be liable only in respect of such acts which had occurred with your knowledge, attributable through Board processes, and with your consent or connivance or where you had not acted diligently.

**18. Governing Law**

This letter of appointment 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 appointment relating to your appointment as a non-executive Independent Director of of the Company, kindly confirm your acceptance of these terms by signing the Annexure C and declaration (format enclosed) along with the acknowledged copy of this letter

Yours truly,  
**For Vishvprabha Ventures Limited**

**Mitesh J Thakkar**  
**Chairman and Managing Director**  
**(DIN: 06480213)**

**CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL**

**Code of Conduct for Directors (As per Section 166 of the Companies Act, 2013):**

Directors shall be responsible to perform the duties specified as per the Companies Act, 2013 and other relevant laws. Also the Independent Directors of the Company should comply with the Companies Act, 2013.

All Directors of the Company shall –

- i. act in accordance with the Articles of the Company.
- ii. 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.
- iii. exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
- iv. 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.
- v. 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.
- vi. not assign his office and any assignment so made shall be void.

**Code of Conduct for Non-Executive Directors:**

Non-Executive Directors of the Company shall –

- i. always act in the interest of the Company and ensure that any other business or personal association, which they may have, does not involve any conflict of interest with the operations of the Company and their role therein.
- ii. comply with all applicable laws and regulations of all the relevant regulatory and other authorities as may be applicable to them in their individual capacities.
- iii. safeguard the confidentiality of all information received by them by virtue of their position.

**Code of Conduct for Directors and the Senior Management:**

The Board of Directors & Senior Management Members shall:

- i. Act honestly, fairly, ethically and with integrity
- ii. Act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgment to be subordinated.



- iii. Disclose potential conflicts of interest that they may have regarding any matters relating to the Company.
- iv. Comply with all applicable laws, rules and regulations.
- v. Maintain the confidentiality of information relating to the affairs of the Company acquired in the course of their service as Directors, except when authorized or legally required to disclose such information.
- vi. Disclose potential conflicts of interest that they may have regarding any matters that may come before the Board, and abstain from discussion and voting on any matter in which the Director has or may have a conflict of interest.
- vii. Not use Company's property, information, position or opportunities for personal gain.
- viii. Act in a manner to enhance and maintain the reputation of the Company.
- ix. The Code is to be affirmed by members of the Board upon their appointment / re- appointment to the Board and is to be reaffirmed by all members of the Board at the beginning of each financial year. Likewise, all designated Senior Management members shall reaffirm their adherence to the above Code of Conduct annually.

#### **Code for Independent Directors:**

##### **I. Guidelines of Professional Conduct:**

The Independent Directors shall:

- uphold ethical standards of integrity and probity;
- act objectively and constructively while exercising their duties;
- exercise their responsibilities in a bona fide manner in the interest of the company;
- devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- not allow any extraneous considerations that will vitiate their 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;
- not abuse their 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;
- refrain from any action that would lead to loss of their independence;
- where circumstances arise which make an independent director lose their independence, the independent director must immediately inform the Board accordingly;
- assist the company in implementing the best corporate governance practices.



## **ANNEXURE B**

### **LIST OF ACTIONS INDEPENDENT DIRECTORS SHOULD NOT DO WHILE FUNCTIONING AS SUCH IN THE COMPANY**

Following is an illustrative list of actions which Independent Directors should not perform while functioning as such in the Company:

The Independent Director shall:

- not allow any extraneous considerations that will vitiate his/her 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 decisionmaking;
- not abuse his/her 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;
- not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- 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;
- not buy in the Company, or in its holding, subsidiary or associate Company:
  - ▲ a right to call for delivery or a right to make delivery at a specified price and within a specified time, of a specified number of relevant shares or a specified amount of relevant debentures; or
  - ▲ a right, as he may elect, to call for delivery or to make delivery at a specified price and within a specified time, of a specified number of relevant shares or a specified amount of relevant debentures.
- not enter into insider trading of securities;
- not put himself/herself in a position where he/she has or may have an actual or potential conflict of interest with the Company. Should such an occasion arise, he/she should discuss the matter with the Board or the Company Secretary immediately;
- not achieve or attempt to achieve any undue gain or advantage either to himself/herself or to his relatives, partners, or associates;
- shall not assign his/her office and any assignment so made shall be void.

## **ANNEXURE C**

### **YOUR ACCEPTANCE OF THE APPOINTMENT**

This letter forms the agreement for your appointment as an Independent Non-Executive Director of the Company. For the purposes of clarification, it is agreed that this letter of appointment is not a contract of or for services and you will not be entitled to any compensation for loss of office apart from any arrears of fees which may be due.

The terms of your appointment will be subject to the provisions of the Companies Act 2013 and rules made thereunder, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time).

I am sure that you will make an important contribution to the Board's deliberations – I firmly believe in the role of the Independent Non-Executive Director to ensure the continuing effectiveness of the executive directors and management and to secure high standards of financial probity in all of our activities.

Please would you confirm your acceptance of these terms by signing and dating the enclosed copy of this letter and returning it to me.

Yours truly,  
**For Vishvprabha Ventures Limited**

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**Mitesh J Thakkar**  
**DIN 06480213**  
**Chairman and Managing Director**

I agree to the terms of my appointment as set out above.

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Director  
DIN \_\_\_\_\_

Dated:

## Declaration – I

To

Date:

**The Board of Directors Vishvprabha Ventures Limited**

Dear Sirs/Madam,

**Sub: Declaration to act/ continue as an Independent Director in pursuance of the provisions of Section 149 of the Companies Act, 2013 and regulation 16(1)(b) of SEBI (LODR) regulations, 2015**

I, \_\_\_\_\_, Independent Director of Vishvprabha Ventures Limited, do hereby declare that:

- (a) I am a person of integrity and possess relevant expertise and experience;
- (b) (i) I am or was not a promoter of the Company or its holding, subsidiary or associate company;
- (ii) I am not related to promoters or directors in the Company, its holding, subsidiary or associate company;
- (c) Apart from receiving director's remuneration, I do not have / had pecuniary relationship 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 my relatives has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent (2%) or more of its gross turnover or total income or fifty lakh rupees (Rs. 50,00,000/-) or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- (e) Neither myself nor any of my relatives—
  - (i) hold 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 I am appointed;
  - (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 I am 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 (10%) or more of the gross turnover of such firm;
- (iii) hold together with my relatives two per cent (2%) or more of the total voting power of the Company; or
- (iv) is a Chief Executive or director, by whatever name called, of any non-profit organization that receives twenty-five per cent (25%) 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 (2%) or more of the total voting power of the Company;

My name has been included in the databank of Indian Institute of Corporate Affairs on \_\_\_\_\_ having the Registration Number: \_\_\_\_\_ as per rule 6 of The Companies (Appointment and Qualifications of Directors) Rules, 2014 for a period of \_\_\_\_\_ year which expires \_\_\_\_\_.

I further declare that I am holding a Professional Qualification of a \_\_\_\_\_ and I am a Member of the \_\_\_\_\_(Professional Institute) as on the date of this declaration.

**Name:** \_\_\_\_\_

**DIN:** \_\_\_\_\_

**Address:** \_\_\_\_\_