

Shri/Smt.....  
(Name of Independent Director)

Address.....”

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### **Sub.: Your Appointment as an Independent Director**

We are pleased to inform you that the Board of Directors (‘the **Board**’) and the shareholders of RSD Finance Limited (‘the **Company**’) has approved your appointment as an Independent Director of the Company (‘**Independent Director**’) in pursuance of Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement. This letter sets out the terms of your appointment as an ID.

#### **1. Appointment/Re-appointment:**

You have been appointed as a Non-Executive Independent Director of the Company with effect from \_\_\_\_\_ upto \_\_\_\_\_ not liable to retirement by rotation. You shall be eligible for reappointment for another one term of maximum 5 consequent years on passing of a special resolution by the Company. The reappointment would be considered by the Board based on the outcome of the performance evaluation process and directors continuing to meet the independence criteria.

The directors may be requested to be a member / Chairman of any one or more Committees of the Board which may be constituted from time to time. The directors may also be requested to be a director on the board of directors of a material non-listed Indian subsidiary company.

#### **2. Role, duties and responsibilities:**

Your role and duties will be those normally required of an Independent Director as prescribed under the Companies Act, 2013 and the Listing Agreement. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and are as under:

- You shall act in accordance with the Company’s Articles of Association.
- You 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 interest of the Company.

- You shall discharge your duties with due and reasonable care, skill and diligence.
- You shall not involve yourself in a situation in which you may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.

In addition to the above requirements applicable to all Directors, the role of the Non-Executive Director has the following key elements:

- Actively and constructively participate in the Board / Committee in which you may be a member or a Chairperson
- Ensure that any concern that you have about the running the Company are addressed by the Board and inclusion of these concerns in the Board Minutes to the extent these concerns are not resolved
- Keep yourself well informed about the Company and the external environment in which it operates
- Ensure that related party transactions are considered carefully before being approved and are in the interest of the Company
- Report concern about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct and Ethics
- Within your authority, assist in protecting the legitimate interest of the Company, shareholders and its employees

You shall also abide by the 'Code For Independent Directors' as outlined in Schedule IV to section 149(8) of the 2013 Act, and duties of directors as provided in the 2013 Act (including Section 166) and in Clause 49 of the Listing Agreement.

### **3. Time Commitment:**

You shall devote such time as is prudent and necessary for the proper performance of their role, duties and responsibilities as Independent Directors.

### **4. Remuneration:**

You will be remunerated by way of sitting fees for attending the meetings of the Board of Directors and that of the Committees as may be approved by the Board and other regulatory

authorities from time to time and reimbursement of expenses for participation in the Board and other meetings. Further, the Company shall pay or reimburse such expenditure, as may have been incurred by you while performing their role as Independent Directors of the Company.

## **5. Training and Development:**

The Company may, if required, conduct formal training program for its Independent Directors.

The Company may, as may be required, support Directors to continually update their skills and knowledge and improve their familiarity with the company and its business. The Company will fund/arrange for training on all matters which are common to the whole Board.

## **6. Mechanism for evaluating Board Members:**

Your performance as well as the performance of the entire Board and its Committees will be evaluated annually. Evaluation of each director shall be done by all the other directors. The criteria for evaluation shall be disclosed in the Company's Annual Report.

## **7. Disclosures, other directorships and business interests**

During the term, you agree to 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 agree to 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.

## **8. Disengagement**

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. The resignation shall be effective 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.

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

It will our pleasure to have you on Board. We are confident that your association, expertise and advice will immensely benefit the Company and the Board.

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

Thanking you,

Yours sincerely

For and on behalf of RSD Finance Limited

**RAJEEV SINGH DUGAL**  
**MANAGING DIRECTOR**

**AGREE AND ACCEPT**

I have read and understood the appointment as an Independent Director of the Company and hereby acknowledge receipt of and accept the terms set out in this letter.

Signed:

Name:

Place :

Dated: