



**ANNA  
INFRASTRUCTURES  
LTD.**

CIN : L65910DL1993PLC052061  
(Formerly Known as Anna Finance Limited)

E-14/6, FIRST FLOOR  
SHANTA TOWER  
SANJAY PLACE  
AGRA-282 002  
TEL. 2526650, 2527004

**LETTER OF APPOINTMENT OF INDEPENDENT DIRECTOR**

Date: 10<sup>th</sup> April, 2015

To,  
**Rhythm Garg**  
24, Khandelwal Colony, Ring Road  
Agra-282004  
Uttar Pradesh

Dear Sir,

I am pleased to confirm that the **Board Of Directors** ( 'the board') of **Anna Infrastructures Limited** ('the Company'), on the recommendation of its Nomination And Remuneration committee, has appointed you as an **Independent Director** of the Company pursuant to the provision stated under the Companies Act, 2013 (Act).

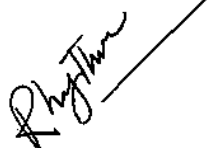
This letter sets out the terms of your appointment as an Independent Director. Your relationship with the Company will be that of an office-holder and not one of contract for employment in the Company.

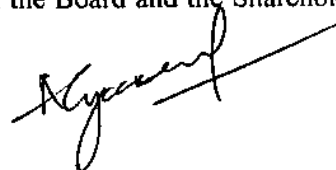
The terms of your appointment, as set out in this letter, are subject to the extant provisions of the:

- i. applicable laws, including the Act and Clause 49 of the Listing Agreement, as amended from time to time and;
- ii. Articles of Association of the Company

**1. Appointment And Term Thereof**

- ❖ Your appointment as a Non-Executive Independent Director on the Board of Directors (Board) of the Company will be for an initial term up to 5 years and shall take effect from 10<sup>th</sup> April, 2015 to 10<sup>th</sup> April, 2020 .Your Appointment is subject to the approval of Shareholders. The word "term" should be construed as defined under the Act and the Listing Agreement.
- ❖ As an Independent Director, you will not be liable to retire by rotation.
- ❖ The Company has adopted the provisions with respect to appointment and term of Independent Directors, which is in consistent with the Companies Act, 2013 and the Listing Agreement.
- ❖ Re-appointment for the second term shall be based on recommendation of the Nomination & Remuneration Committee and subject to approval of the Board and the Shareholders. Your re-





appointment would be considered by the Board, based on the outcome of the performance evaluation process and you're continuing to meet independence criteria.

## **2. Board Committee**

- ❖ As advised by the Board during the tenure of office, you may require to serve one or more existing Board Committees or any such Committee that may be set up in the future. Your appointment on such Committee(s) will be subject to the applicable regulations.
- ❖ 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. The Board generally meets four to five times in a year. Additionally, committee meetings like Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee takes place as and when required. You are expected to attend Board and Board Committee meetings 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. Ordinarily, all Board and Committee meetings are held at registered office of the Company .
- ❖ 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.

## **3. Role Duties and Responsibilities**

- ❖ Your role and duties will be those normally required of a Non-Executive Independent Director under the Act and the Listing Agreement. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and are summarised as under:
  - (i) You shall act in accordance with the Company's Articles of Association.
  - (ii) 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.
  - (iii) You shall discharge your duties with due and reasonable care, skill and diligence.
  - (iv) 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.
  - (v) You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.
  - (vi) You shall not assign your office as Director and any assignments so made shall be void.

*Rhythm*

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- ❖ In addition to the above requirements, you are also required to discharge the duties, roles and functions as applicable to Independent Directors as stated under Schedule IV to the Companies Act, 2013 as in force and as may be amended from time to time. While performing such duties, roles and functions, you will be required to abide by the 'Guidelines of Professional Conduct' as stated under the said Schedule.

#### **4. Code Of Conduct**

- ❖ You are required to abide by the code for independent directors as issued by the Company which are appended as Annexure A.

#### **5. Status Of Appointment & Remuneration**

- ❖ You will not be an employee of the Company and this letter shall not constitute a contract of employment.
- ❖ The sitting fees presently payable to the Non-Executive Independent Director is Rs. 500/- per Meeting of the Board and Committee thereof .Board may modify the same from time to time, subject to applicable statutory requirements.
- ❖ You will have no entitlement for any bonus or employee stock option scheme (presently company don't have any employee stock option scheme).
- ❖ In addition to the sitting fee, the Company will, for the period of your appointment, reimburse you for all travel, hotel and other incidental expenses incurred by you in the performance of your role and duties.

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

- ❖ As a member of the Board, your performance shall be evaluated annually. Evaluation shall be done by all the other Directors. The criteria for evaluation shall be determined by the Nomination & Remuneration Committee and disclosed in the Company's Annual Report. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board/Committee.

#### **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 also agree that upon becoming aware of any potential conflict of interest with your position as Independent Director of the Company, you shall promptly disclose the same to the Company. Please confirm that as on date of this letter, you have no such conflict of interest issues with your existing Directorships, if any.



- ❖ During your Term, you agree to promptly 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. Changes of Personal Details**

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

## **9. Termination**

- ❖ Your Directorship on the Board of the Company shall terminate or cease in accordance with law. 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 of the Company.
- ❖ 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 the Act, or if applicable, you fail to meet the criteria for "independence" under the provisions of Clause 49 of the Listing Agreement, you agree to promptly submit your resignation to the Company with effect from the date of such change.

## **10. Retirement Policy**

- ❖ The age of retirement for Non-Executive Directors and Independent Directors is 65 years.

## **11. 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.

## **12. Governing Law**

- ❖ This document 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.

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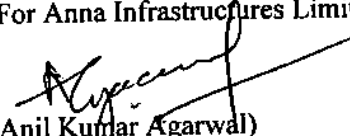
*Arjun*

- ❖ If you are willing to accept these terms of appointment relating to your appointment as a Non-Executive Independent Director of Tide Water Oil Co. (India) Ltd., kindly confirm your acceptance of these terms by signing and returning to us the enclosed copy of this letter.

### 13. Acceptance of Appointment

- ❖ We are confident that the Board and the Company will benefit immensely from your rich experience and we are eager to have you as an integral part of the growth of our Company. If these terms of appointment are acceptable to you, please confirm your acceptance by signing and returning the enclosed copy of this letter.

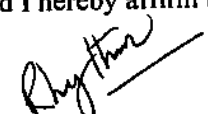
Yours sincerely,  
For Anna Infrastructures Limited.

  
(Anil Kumar Agarwal)  
Whole-Time Director

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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.

  
Name: Rhythm Garg  
Place : Agra  
Date : 10/04/2015

**SCHEDULE IV**

[See section 149(8)]

**CODE FOR INDEPENDENT DIRECTORS**

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfilment 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 fulfils the conditions specified in the Act and the rules made there under 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 a period of not more than one hundred and eighty days from the date of such resignation or removal, as the case may be.
3. 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.

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**VII. Separate meetings:**

1. 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;
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.

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

  
**Rhythm Garg**