

Date: 07 July 2014

To,  
Mr. R.K.Agarwal  
FD-226, Salt Lake City, Sector 3  
Kolkata -700091

Sir,

**Sub: Appointment of Independent Director**

We are pleased to inform you that the Board of Directors of the company has decided to appoint you as an Independent Director, in its meeting dated 7 July 2014 which is subject to confirmation of members in the forthcoming Annual General Meeting of the company. The Terms and Conditions of the appointment are mentioned below:

**Duration of Appointment**

- (a) The appointment is for a term of 5 years, commencing from 7th July 2014, which is not subject to retire by rotation, but you shall be eligible for reappointment for another one term of 5 consecutive years on passing of a special resolution by the company.
- (b) Notwithstanding the other provisions of this Letter, the Appointment may be terminated at any time in accordance with the provisions of the Articles of association of the company or the provisions for the removal of directors under the Companies act, 2013.
- (c) Upon termination or upon your resignation for any reason, you will not be entitled to any damages for loss of office and no fees will payable to you in respect of any unexpired portion of the term of the Appointment.

**Role and Functions**

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

1. You shall act in accordance with the company's Articles of Association.
2. You shall act in good faith in order to promote the objects of the company for the benefits of its members as a whole, and in the best interest of the Company.

3. You shall discharge your duties with due and reasonable care, skill and diligence.
4. You shall not involve yourself in a situation in which you may have a direct or indirect effect that conflicts or possibly may conflict with the interest of the company.
5. You shall not achieve or attempt to achieve any undue advantage either to yourself or to your relatives, partners or associates.
6. You shall not assign your office as director and any assignments so made shall be void.

As an Independent Director, you are expected to ensure the following:

- (a) To undertake appropriate induction and regularly update and refresh their skills , knowledge and familiarity with the company ;
- (b) To seek appropriate clarification or amplification of information and , where necessary, take and follow appropriate professional advice and opinion of outside experts at the expenses of the company ;
- (c) To strive to attend all meetings of the Board of Directors and of the board Committees of which you are a member;
- (d) To participate constructively and actively in the committees of the Board in which you are a chairperson or member ;
- (e) To strive to attend the General meetings of the company;
- (f) Where you 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 you concerns are recorded in the minutes of the Board Meeting;
- (g) To keep yourself 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) To pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure yourself that the same are in the interest of the company;
- (j) To ascertain and ensure that the company has 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) To report concerns about unethical behavior , actual or suspected fraud or violations of the company's code of conduct or ethics policy;
- (l) Acting within your authority, to assist in protecting the legitimate interests of the company , shareholders and its employees;

- (m) Not to 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

You will be liable as an officer - in - default in respect of contravention of any of the provisions of Companies Act, 2013 which you are aware by virtue of the receipt by you of any proceedings of the Board or participation in such proceedings without objecting to the same , or where such contravention had taken place with your consent or connivance ;

In terms of Section 166(7) of the Act, it is to bring to your notice that if a director of the company contravenes the provisions of Section 166 which lays down duties of directors [as per point no. (a) to (e) above ], such director shall be punishable with fine which shall not be less than one lakh rupees but which may extend to five lakh rupees.

**List of actions you should not indulge into :**

- (a) You will 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.
- (b) You will not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners, or associates and if you are found guilty of making any undue gain, you will be liable to pay an amount equal to that gain to the company.
- (c) You will not assign your office any assignment so made shall be void.

In the event that you become aware of any potential conflicts of interest these should be disclosed to the company as soon as they become apparent.

**Remuneration**

You will be remunerated by way of sitting fees for attending the meeting of the Board of Directors and that of the committees as may be approved by the Board from time to time . You shall also be entitled to such profit related commission as may be approved by the members.

You will not be entitled to any remuneration other than above.

You will have no entitlement to any bonus during the Appointment and no entitlement to participate in any share scheme or pension scheme operated by the Company.

### **Reimbursement of Expenses**

In addition to the sitting fees described above, the company, for the period of the appointment, will reimburse you for travel and other incidental expenses incurred by you in the performance of roles and duties.

### **Provision for Directors and officers (D and O) Insurance, if any .**

You are hereby informed that as on date, the Company do not provide for D&O Insurance for the directors. We will inform you if the company opts for the same.

### **Review Process**

Your performance as an Independent Director will be reviewed by the Board on an annual basis.

### **Committee**

The Board has decided to appoint you as member of following committees

- i. Audit Committee
- ii. Nomination and Remuneration Committee
- iii. Corporate Social responsibility Committee

### **Publication of letter of appointment**

In line with the code for Independent Director, the company will make public this letter by posting it on its website.

### **Code of Conduct**

During your period of appointment you are required to comply with regulations as contained in Schedule IV under Companies Act 2013.

### **Confidentiality**

All information acquired during your appointment is confidential to South City Projects (Kolkata) Limited and should not be released, either during your appointment or following termination (by whatever means) to third parties without prior clearance from the Chairman unless required by law or by the rules of any stock exchange or regulatory body. On reasonable request, you shall surrender any documents and other materials made available to you by South City Projects (Kolkata) Limited.

Thanking You,

Yours Faithfully  
For South City Projects (Kolkata) Limited,

Director

Date: 07 July 2014

To,  
Mr. Hari Mohan Marda,  
4/2, Sarat Bose Road,  
Olympus Court, Flat No. C101  
Kolkata – 700020

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**Duration of Appointment**

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- 8. You shall act in good faith in order to promote the objects of the company for the benefits of its members as a whole, and in the best interest of the Company.
- 9. You shall discharge your duties with due and reasonable care, skill and diligence.
- 10. You shall not involve yourself in a situation in which you may have a direct or indirect effect that conflicts or possibly may conflict with the interest of the company.
- 11. You shall not achieve or attempt to achieve any undue advantage either to yourself or to your relatives, partners or associates.
- 12. You shall not assign your office as director and any assignments so made shall be void.

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- (q) To participate constructively and actively in the committees of the Board in which you are a chairperson or member ;

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- (t) To keep yourself well informed about the company and the external environment in which it operates
- (u) Not to unfairly obstruct the functioning of an otherwise proper board or committee of the Board;
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- (w) To ascertain and ensure that the company has 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 ;
- (x) To report concerns about unethical behavior , actual or suspected fraud or violations of the company's code of conduct or ethics policy;
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Director