

Date : _____

Mr _____

**Re : Appointment as Independent Director of IL&FS Investment Managers Limited
(the Company)**

Dear Sir :

At the outset, we thank you for your contribution to the Company in the capacity of an Independent Director over the past few years

We are pleased to confirm that the Shareholders of the Company have appointed you as an Independent Director, at their Annual General Meeting held on August 7, 2014

The Companies Act, 2013 has introduced provisions for appointment of Independent Director and explicitly articulates the roles, duties, responsibilities and manner of appointment of Independent Director on the Board of the Company. The Companies Act, 2013 provides for a letter of appointment to be issued to each Independent Director. In light of the above, this letter outlines the terms which will apply to your appointment as an Independent Director of the Company

(1) **Term** :

As per the provisions of Section 149(6) of the Companies Act 2013 and Clause 49 of the Listing Agreement you will hold office of an Independent Director of the Company for a consecutive term of five years with effect from April 1, 2014 and shall not be liable to retire by rotation

(2) **Role** :

You are expected to provide your expertise and experience to the Board and the Company as well as ensure high standards of corporate governance. You will be expected to attend 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

You may be nominated on one or more Committees of the Board. You will be provided with the relevant terms of reference on your appointment to such a Committee. You may also be asked to serve as a Non-Executive Director on the Board of any of the Company's subsidiaries. Presently you have been appointed as a Member/Chairman on the Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee of the Company

(3) **Duties** :

You will be expected to perform your duties, faithfully, efficiently and diligently to a standard commensurate both to your role and your knowledge, skill and experience. The Companies Act, 2013 and Listing Agreement with Stock Exchanges govern the duties and liabilities of the Director

You shall abide by the provisions of Company's Code of Conduct which includes Code for Independent Directors as per the specifications of Schedule IV of the Companies Act, 2013 herewith attached as Annexure I and Company's Code for Prevention of Insider Trading herewith attached as Annexure II

(4) **Insurance** :

The Company has a Directors' and Officers' Liability Insurance in place and it is intended to maintain such cover for the full term of your appointment

(5) **Remuneration** :

You will be paid sitting fees of ₹ 20,000/- for attending each meeting of the Board, ₹ 20,000/- for attending each meeting of the Audit Committee and Nomination & Remuneration Committee and ₹ 2,000/- for attending each meeting of the Stakeholders Relationship Committee thereof. The same may be revised from time to time with the discretion of the Board. You shall be entitled for reimbursement of expenses for participation in the Board and other meetings. You shall be also entitled to profit related commission as may be approved by the members from time to time

(6) **Independence** :

You are expected to be continue to be qualified as 'independent' during your tenure and provide periodic declaration to the effect as required by the Companies Act, 2013 and the Listing Agreement

(7) **Vacation and Termination of the Office** :

The office you hold as a Director becomes vacant in certain circumstances which are attached herewith as Annexure III

(8) **Evaluation** :

Your performance evaluation shall be done annually. You will participate in annual performance review of individual directors, the Board as a whole and Committees thereof

(9) **Orientation** :

The Company will arrange for a formal Orientation Program with respect to the business of the Company. You are requested to attend such Orientation Program as and when arranged by the Company

(10) **Confidentiality** :

You acknowledge that all information acquired during your tenure is confidential to the Company and should not be released, communicated, nor disclosed either during your appointment or following termination (by whatever means), to any third parties without prior clearance of the Board of Directors

(11) **Contract** :

It is agreed that this is a contract for services and is not a contract of employment

(12) **Governing Law** :

This agreement is governed by and will be interpreted in accordance with the Indian Law and your engagement shall be subject to the jurisdiction of the Indian Courts

All terms of your appointment mentioned herein including your appointment, role, duties and remuneration shall be governed by the Companies Act, 2013 and Rules thereunder and Listing Agreement with Stock Exchanges including any modification or re-enactment thereof

Please confirm your agreement to the above by signing and returning to us the enclosed duplicate of this letter

Thanking you,

Yours sincerely,

Chairman