

# U.P. HOTELS LTD.

Registered Office & Operations Head Quarters

1101, Surya Kiran Building, 19, Kasturba Gandhi Marg, New Delhi-110001

Phone No. : 011-23722596-8, 011-41510325-6 • Fax : 011-23312990

Email : clarssuryakiran@yahoo.co.in • Web : www.hotelclarks.com

CIN No. : L55101DL1961PLC 017307 • PAN No. : AADCS1783J



**CLARKS  
GROUP OF  
HOTELS**

Date: 28.09.2019

To,

Mr. Shafi Alam  
D-140, Sector-50,  
Noida - 201303.

## **Sub: Re-appointment as an Independent Director**

Dear Mr. Shafi Alam,

We are pleased to inform you that U. P. Hotels Limited (the “**Company**”) has re-appointed you as Independent Director of the Company (the “**Independent Director**”) at its 58<sup>th</sup> Annual General Meeting. This letter sets out the terms of your re-appointment.

### **1. Appointment**

- 1.1 In accordance with the provisions of the Companies Act, 2013 and other applicable laws, you will serve as an Independent Director of the Board with effect from May 12, 2019 for a period of five years.

### **2. Board Committees**

- 2.1 As advised by the Board, during the tenure of office, you may be required to serve on one or more of the Committees of the Board constituted by the Company.

### **3. Professional Conduct**

- 3.1 As an Independent Director, you shall:

- (a) uphold ethical standards of integrity and probity;
- (b) act objectively and constructively while exercising your duties;
- (c) exercise your responsibilities in a bona fide manner in the interest of the Company;
- (d) devote sufficient time and attention to your professional obligations for informed and balanced decision-making;
- (e) not allow any extraneous considerations that may vitiate your exercise of objective independent judgement in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgement of the Board in its decision-making;

- (f) not abuse your 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 could lead to a loss of your independence;
- (h) ensure that if circumstances arise under which you may lose your independence, you will immediately inform the Board accordingly; and
- (i) assist the Company in implementing the best corporate governance practices.

#### **4. Functions, Responsibilities and Duties of Directors**

##### **4.1 Functions:** As an Independent Director, you 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) scrutinise 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 controls 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 in accordance with the duties and functions mentioned in the Policy for the Nomination and Remuneration Committee; and
- (h) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

##### **4.2 Responsibilities:** Independent directors have the same general legal responsibilities to the Company as that of any other director. The Board, as a whole, is collectively responsible for ensuring the success of the Company by directing and supervising the Company's affairs.

##### **4.3 Duties:** As an Independent Director, you shall:

- (a) undertake the appropriate induction into the Board and regularly update and refresh your skills, knowledge and familiarity with the Company;
- (b) seek appropriate clarification and, where necessary, seek and follow appropriate professional advice from external experts at the expense of the Company;
- (c) strive to attend every meeting of the Board and of the Board committees of which you are a member;
- (d) actively and constructively participate in the Board committees of the Board in which you may be a member or the Chairperson;
- (e) strive to attend the general meetings of the Company;



- (f) ensure that any concerns that you may have about the running of the Company are addressed by the Board and seek inclusion of these concerns in the Board minutes to the extent these concerns are not resolved;
- (g) keep yourself well informed about the Company and the external environment in which it operates;
- (h) not unfairly obstruct the functioning of an otherwise proper Board or committee;
- (i) ensure that related party transactions are considered carefully before they are approved and are in the interest of the Company;
- (j) ensure that the whistleblower function of the Company is functioning adequately;
- (k) report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics;
- (l) Act within your authority, assist in protecting the legitimate interests of the Company, shareholders and its employees; and
- (m) not disclose any confidential information unless such disclosure is expressly approved by the Board or required by law.

## 5. Remuneration

- 5.1 You will be paid a sitting fee for your services as an Independent Director of the company as follows:

Particulars	Amount
Board Attendance Fee (Including Other Committees meetings on the same day)	Rs. 30,000/-
Any committee meeting held on a day other than Board Meeting (eg. Audit Committee meeting, Nomination & Remuneration Committee, etc.)	Rs. 30,000/-

- 5.2 You will have no entitlement to any bonus during the re-appointment and no entitlement to participate in any share scheme and no stock options will be issued to you by the Company.

## 6. Term

- 6.1 Subject to applicable laws, you have been appointed, subject to approval of shareholders, as an Independent Director of the company for a period of five years with effect from 12<sup>th</sup> May, 2019.

## 7. Memberships of other boards

- 7.1 It is expected that you will not serve on the boards of competing companies. Apart from the applicable law and good corporate governance practices, there are no other additional limitations:



## **8. Dealing in shares and Code of Conduct**

- 8.1 Directors are prohibited from dealing in the Company's shares during the period when the trading window is closed. Further, directors, being designated officers of the Company for the purpose of insider trading guidelines, are to pre-clear all trades (buy/sell/gift) with the Compliance Officer. You are required to comply with the applicable SEBI Insider Trading Laws and regulations and the Company's *Code of Conduct and Ethics*.

## **9. Corporate Calendar**

- 9.1 The corporate calendar and the Board meeting dates shall be intimated in advance from time to time.

## **10. Annual General Meeting (AGM) / General Meeting**

Independent directors are expected to attend the Annual General Meeting (AGM) / General Meetings of the company in person.

## **11. Separate Meetings**

- 11.1 Pursuant to the Regulation 25(3) & (4) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of the Company shall hold at least one meeting in a year without the attendance of Non-Independent Director and meeting of the Management.
- 11.2 All the Independent directors of the company shall strive to be present at such Meeting.

## **12. Code of Conduct & other compliances**

- 12.1 During the re-appointment, you will comply with any relevant regulations as may be issued by the Government of India and such other authorized bodies as set up by the Government on its behalf, including the Code for Independent Directors, Insider Trading Code and such other requirements as the Board of Directors may from time to time specify.

It is expected that any interest you may have in any transaction or arrangement that the Company has entered into should be disclosed no later than when the transaction or arrangement comes up at a Board Meetings so that the minutes may record your interest appropriately and our records are updated. A general notice that you are interested in any contracts with a particular person, firm or company is acceptable.

## **13. Confidentiality**

- 13.1 You must apply the highest standards of confidentiality and not disclose to any person or company (whether during the course of the re-appointment or at any time after its termination) any confidential information concerning the Company and any Group Companies with which you come into contact by virtue of your position as an Independent Director) of the Company.

13.2 Your attention is 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.

13.3 On termination of the re-appointment, you will deliver to the Company all books, document, papers and other property of or relating to the business of the Company which are in your possession, custody or power by virtue of your position as an Independent Director of the Company.

#### **14. Publication of the letter of appointment**

14.1 In line with the provisions of the Companies Act, 2013, the Company may make public a generic copy of this letter on its website at [www.hotelclarks.com](http://www.hotelclarks.com) and the same shall be open for inspection at the registered office of the company by any member during normal business hours.

The letter is governed by and is in accordance with the laws of India and the parties agree to submit to the exclusive jurisdiction of New Delhi.


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

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

Thanking you,

**For U. P. Hotels Limited**

  
**Apurv Kumar**  
(Jt. Managing Director-CFO)

  
**Rupak Gupta**  
(Jt. Managing Director-CFO)

I confirm that I have read and agree to the above terms regarding my re-appointment as an Independent director of U. P. Hotels Limited.

Signature: 

Name: **Shafi Alam**

Place: **Delhi**

Date: **28.09.2019**