

Date:

(Name & Address of the proposed Independent Director)

Dear \_\_\_\_\_,

Thank you very much for taking the time to meet with us.

On behalf of Fullerton India Home Finance Company Limited (hereinafter referred as the "Company"), it gives me great pleasure to invite you to become a member of the Company's Board of Directors (the "Board") as a Non-Executive Independent Director. We are pleased to inform you that the members of the Company have approved your appointment as an Independent Director at the Extra Ordinary General Meeting held on \_\_\_\_\_.

It will indeed be our privilege to have you on our Board and your depth of experience and perspective would be of great assistance to the Board in its strategic deliberations, risk assessment, and performance evaluation.

This letter of appointment is being issued as per the provisions of Clause IV (4) of Schedule IV of the Companies Act, 2013, setting out the terms and conditions. Your appointment is governed by the provisions of the Companies Act 2013, Listing agreement with stock exchanges and all other applicable laws and the articles of association of the Company.

**Tenure of Appointment**

Your appointment will be effective from the date of appointment as approved by shareholders in the Extra Ordinary General meeting i.e. from \_\_\_\_\_ till \_\_\_\_\_, unless renewed as per the provisions set out in the Companies Act, 2013. Continuation of your Directorship would be contingent on satisfactory performance and applicability of any relevant statutory provisions as per the Companies Act, 2013.

**Retirement/Resignation/Removal**

As an Independent Director, you will not be liable to retire by rotation.

You may resign as a Director of the Company at any time, upon giving notice in writing to the Chairman of the Board.

Like for every Director, your resignation or removal will be in accordance with Sections 168 and 169 of the Companies Act, 2013 and the Articles of Association of the Company.

**Time commitment**

We anticipate that your appointment will require a time commitment of approximately \_\_\_\_\_ days per year. This will include attendance at scheduled quarterly Board meetings, one Annual General Meeting of the Company and one separate meeting to be attended only by the Independent Directors as per the Schedule IV of the Companies Act, 2013. The Board will expect your availability

for all regular and any extraordinary general meetings, although we do not anticipate extraordinary general meetings occurring frequently.

Board meetings normally are held at the headquarters of the Company in Mumbai. But, they may also be held at any other location as may be decided from time to time. The Annual General Meeting takes place in Chennai.

As per the current approval of the Board, you have been nominated to serve as a member on the \_\_\_\_\_ Committee. The Terms of Reference of the \_\_\_\_\_ Committee are attached. If decided by the Board, you will also be required to serve as a member on one or more Board Committees including the following: 1) Audit Committee; and 2) Nomination & Remuneration Committee. Each Committee meets, normally on the same day of the regularly scheduled Board meetings. The Board reserves the right to change your membership of a Committee at any time.

Exigent upon circumstances, the Chairman of the Board, other Directors or any other senior management member of the Company may consult you from time to time for your advice on any business related issues.

### **Duties & Responsibilities**

As a member of the Board you are expected to perform your duties, whether statutory or fiduciary, diligently and faithfully to a standard commensurate with both the functions of your role and your knowledge, skills and experience. The Board as a whole is collectively responsible for promoting success by directing and supervising the affairs of the Company encompassing but not limited to strategy, performance, risk management, resources and standards of conduct etc.

The Board of Directors, apart from other things;

- Sets the strategic aims of the Company, ensures that the necessary financial and key resources are in place for the Company to meet its objectives and reviews management performance;
- Provides leadership to the Company within a framework of prudent and effective controls which enable risk to be assessed and managed; and
- Maintains Company values and standards as outlined in the code of Business Conduct and Ethics and ensure that its obligations to its stakeholders and others are understood and met.

In addition to these requirements of all Directors, your role as the Non-Executive Independent Director has the following key elements:

**Strategy:** You should constructively challenge and help develop protocols on strategy;

**Performance:** You should scrutinize the performance of management in meeting agreed goals and objectives;

**Risk:** You should satisfy yourselves on the integrity of financial information and that financial controls and systems of risk management are robust and defensible;

**People:** Acting within the authority of the member of the Board, you should assist the Board in protecting the legitimate interest of the Company, its stakeholders and its employees. Basis the requirement by Chairman of the Board, you should offer appropriate advice on levels of

remuneration of executive directors and other key senior management personnel as well as in removal of the executive directors and senior management.

**Compliance:** You should ascertain and ensure that the Company has an adequate and functional vigil mechanism on Compliance of legislations and regulations under review and the conformity of the Company to accepted norms.

The other elements of your duties and responsibilities would be as per Section 166 and Schedule IV to the Companies Act, 2013, which provides for duties of directors and the Code for Independent Directors respectively and any statutory modifications or amendments therein.

### **Remuneration**

Subject to the provisions of the Companies Act, 2013, you will be paid the following remuneration:

1. Board Meetings
  - a. **Sitting Fees:** INR \_\_\_\_\_ (or in equivalent Foreign currency) per Board Meeting.
2. Committee Meetings
  - a. **Sitting Fees:** INR \_\_\_\_\_ (or in equivalent Foreign currency) per Committee Meeting.

The Company will reimburse you for all reasonable expenses incurred for attending the Board and other meetings or for such other incidental matters, like travel and stay expenses.

All payments are subject to appropriate applicable taxes.

### **Conflict of Interest**

The proposed appointment is based on the premise that you are independent according to applicable provisions of the Companies Act, 2013.

It is accepted and acknowledged that you have business interests other than those of the Company and have declared any conflict of interest that are apparent at present. In the event that your circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead the Board to revise its judgment that you are independent, this should be disclosed to the Board.

You are required to disclose any material interest that you may have in any transaction or arrangement that the Company has entered into. Such interest should be disclosed no later than when the transaction or arrangement comes up at a Board meeting. A general notice that you are interested in any contracts with a particular person, firm or company would be sufficient. You are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form as required under the Companies Act, 2013.

During your appointment as an Independent Director we will appreciate your advising the Chairman of the Company prior to accepting any other directorship of any other Company or any other major appointments. Should the Chairman have a concern, he will advise you within \_\_\_ hours.

### **Confidentiality**

All information acquired during your appointment is confidential to the Company and should not be released, either during your appointment or following your leaving the board (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 the Company.

Your attention is also drawn to the requirements under both legislation and regulation as to the disclosure of price sensitive information and to any dealing in the securities of the Company. Consequently you should avoid making any statements or performing any transactions that might risk a breach of these requirements without prior clearance from the Chairman or Company Secretary.

### **Insider Trading Regulations**

As a director of the Company you will be considered as an “Insider” under the Companies Act, 2013 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. In future, any trade of the Company’s securities will be subject to appropriate disclosures and prior approval by you and your relatives.

### **Review process**

The performance of individual Directors and the whole Board and its Committees would be evaluated annually. If, in the interim, there are any matters pertaining to your role on which you may have any concern, please discuss them with the Chairman as soon as is appropriate.

### **Independent professional advice**

Occasions may arise when you consider that you need professional advice, clarification or amplification of information in the furtherance of your duties as a Director. With prior approval of the Chairman you may seek external independent advice at the expense of the Company as appropriate.

### **Committees**

This letter refers to your appointment as a Non-Executive Independent Director of the Company. In the event that you are also asked to serve on one or more of the Board Committees you will be provided with the terms of reference of the relevant Committee together with confirmation of any additional fees that may be involved.

### **Notification of personal information**

The Company is required from time to time to provide information about its Directors to relevant Regulators, Government Authorities, Bankers, agencies, etc. Filings concerning Directors must also be made with various government authorities. You are requested to provide such information as and when required.

### **Statutory Provisions and Code of Conduct**

During the appointment as an independent Director you are required to comply with provisions of the Companies Act, 2013 and or any other relevant regulations that may be in force today or may come in force in future and relevant Code of Conduct of the Company.

**Directors & Officers Liability Insurance coverage**

Please note that the Company has obtained Directors & Officers Liability Insurance coverage from a registered Insurance Company in India, to cover the eligible legal actions which might be initiated against the Directors.

**Other corporate documents**

In addition to this letter, we will soon be sending you the following corporate documents for your reference:

- Composition of the Committees of the Board
- Fullerton India Code of Conduct.
- Annual Report for the last year
- Terms of Reference of the Risk Oversight Committee, and
- Schedule IV to the Companies Act, 2013

**Law**

Your engagement with the Company is governed by and shall be construed in accordance with the laws of India and your engagement shall be subject to the jurisdiction of the Courts of Mumbai in India.

If you are willing to accept these terms relating to your invitation as a Non-Executive Independent Director of Fullerton India Credit Company Limited, please confirm your acceptance by signing and returning to me the enclosed copy of this letter.

It will be a pleasure to have you on the Board, and I am personally looking forward to working with you. Please feel free to contact me if you have any queries in relation to the above.

Yours sincerely,

(Chairman/CEO/Managing Director)

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I acknowledge the receipt of this letter.

Signature: \_\_\_\_\_

Date: