

[Date]

[Name of Director]

[Address]

Dear Sir/Madam,

Sub: Appointment as an Independent Director on the Board of Muthoot Finance Limited (“Muthoot Finance” or “the Company”)

We are pleased to inform you that you have been appointed as an Independent Director on the Board of Directors of Muthoot Finance Limited with effect from [Date].

Your appointment shall be subject to such terms & conditions of your appointment as set out in the Annexure to this letter.

We welcome you to the Muthoot Finance’s Board and look forward to a mutually beneficial association.

Kindly confirm your acceptance to the appointment by signing and returning to us a duplicate copy of this letter.

Thank You.

Yours truly,

On Behalf of Board of Directors
For Muthoot Finance Limited

[Name]

[Designation]

Encl. as above

I hereby accept the terms & conditions of my appointment as stated in this letter:

Name:

Place:

Date:

Terms of Appointment of Independent Director (“ID”) on the Board of Directors (Board) of Muthoot Finance Limited (“Muthoot” or “the Company”) effective from September 28, 2019 in accordance with the Companies Act, 2013 (“the Act”) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the SEBI Regulations”).

1. Position

- 1.1. The role of ID is a non-executive role in that it does not carry any executive responsibilities, liability or authority.
- 1.2. The term ID should be construed as defined under the Act and the Rules framed there under (including any re-enactments thereof or modifications thereto) and the SEBI Regulations (together referred to as “the Applicable Laws”).
- 1.3. You will not be an employee of the Company and this letter shall not constitute a contract of employment.

2. Tenure

- 2.1. Your appointment takes effect from [Date] and shall be for [•] years, unless terminated earlier.
- 2.2. Your appointment will be subject to the provisions of the Applicable Laws and the Articles of Association of the Company.
- 2.3. You will not be liable to be retired by rotation.

3. Committee(s)

- 3.1. In addition to your role as an ID, the Board may, if deem fit, subject to your consent, invite/ nominate you for being appointed on one or more Board Committee whether existing or that may be set up in the future.
- 3.2. Your appointment on the Committee(s), if any, shall be guided by the terms of reference or charter of the Committee(s).
- 3.3. The Charter of the Committee(s) on which you get appointed as Chairman/ Member, lays down the roles, responsibilities, powers, etc. of such Committee and the same is approved / amended by the Board from time to time, a copy whereof will be shared with you.
- 3.4. Your appointment on any Board Committee(s) will be subject to the provisions of the Applicable laws.

4. Time Commitment

- 4.1. The Board meets at least four times in a year.
- 4.2. You will be expected to attend meetings of Board and Board Committees to which you are/ may be appointed and also the Shareholders meetings and commit sufficient time to ensure fulfilment of your duties and responsibilities effectively.
- 4.3. Ordinarily, all meetings are held in Kochi.

5. Role, Duties & Responsibilities

- 5.1. As an ID you are expected to bring objectivity and independence of view to the Board's discussions and to help them provide 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 that benefits the Company and its stakeholders.
- 5.2. The duties and responsibilities of an ID are same as other Directors. There are, however, additional roles and duties required of an ID under the Applicable laws.
- 5.3. Section 166 read with Schedule IV of the Companies Act, 2013 contains details of your duties and responsibilities as an ID.
- 5.4. Without prejudice to above, you shall be under an obligation to comply with all other laws as are applicable with respect to your appointment as a Director of the Company.

6. Code of Conduct

- 6.1. Code of Conduct for Directors & Senior Management ("Code") is applicable to all Directors. You may access the Code on the Company's website using through the link: <https://www.muthootfinance.com/policy/code-conduct>.
- 6.2. You shall abide by the provisions of the SEBI (Prohibition of Insider Trading) Rules, 2015 and the internal policy framed thereunder, which is embedded in the Code.
- 6.3. The Company may lay down additional policies which may be applicable to an ID. The Company will suitably communicate the same to you before such additional policies become effective.
- 6.4. You shall abide by the Code and such other policies that may be adopted by the Company applicable to an ID.

7. Liabilities

- 7.1. As an ID, you shall be held liable, only in respect of such acts of omission or commission by the Company which had occurred with your knowledge, attributable through Board and Committee processes, and with your consent or connivance or where you had not acted diligently.

8. Remuneration & Entitlements

- 8.1. You shall be entitled to following:
 - (a) sitting fees for attending each meeting of the Board and its Committees (on which you are appointed as Chairman/ Member) as may be determined by the Board from time to time, and;
 - (b) Remuneration as determined by the Board, from time to time, subject to necessary approvals of the shareholders, as per the relevant provisions of the Applicable Laws.
- 8.2. The remuneration payable to Non-Executive Directors is subject to the limits prescribed under the Act and is approved by the Shareholders of the Company.
- 8.3. Additionally, you will be entitled to reimbursement of expenses incurred in connection with the attending of Board meetings, Board Committee meetings, and General Meetings and in relation to the business of the Company towards hotel accommodation, travelling and other out-of-pocket expenses.

9. Disclosures

9.1. Initial Disclosures:

9.1.1. At the first meeting of the Board in which you participate as a Director you shall disclose your concern or interest in any Company/ies or bodies corporate, firms, or other association of individuals which shall include your shareholding, in the manner prescribed under the Act.

9.2. Continual Disclosures:

9.2.1. At the first meeting of the Board in every financial year and whenever there is any change in the disclosures already made, then within 30 days of such change, you shall disclose your concern or interest in any Company/ies or bodies corporate, firms, or other association of individuals which shall include your shareholding, in the prescribed manner under the Act.

9.2.2. During your appointment as an ID, if there is any change in the circumstances that affect your independence, you shall immediately inform the Company of the same.

9.2.3. You may be required to furnish additional disclosures to the Company as per the requirements of other laws that are/may be applicable to the Company within such period and at such intervals as may be informed to you by the Company.

10. Induction & Training

10.1. The Company provides all new Directors with an induction which will include familiarization program, including briefings from Management and visit to our branches.

10.2. The Company may also conduct suitable training program at periodic intervals to educate the Directors on their responsibilities under the Act and SEBI Regulations. The Company may invite experts to conduct such training module.

10.3. Please avail yourself of these opportunities as fully as is appropriate to your personal circumstances.

11. Directors' Liability Insurance

11.1 The Company has availed a Directors' & Officers' Policy ("D&O Policy") covering the liability of its Directors and Officers on the terms of the policy (which are subject to change). A copy of the D&O Policy shall be emailed to you.

12. Performance Evaluation

12.1. The performance evaluation of the Board as a whole and the individual Directors shall be in accordance with the Applicable Laws and regulations.

12.2. The criteria for evaluation are determined by the NRC of the Board of Directors.

13. Termination/Vacation

13.1. You may resign from your position at any time and should you wish to do so, you are requested to serve a written notice on the Board.

13.2. Your appointment may also be terminated in accordance with the provisions of the Act and Articles of Association of the Company from time to time in force.

13.3. Any such termination shall be with a notice of 24 hours on either side.

13.4. Upon your resignation/ termination as a Director, you shall, cease to be a Member of the Committee(s) of the Board in which you are appointed.

13.5. Further, your office is liable to vacation on the grounds prescribed under the Act.

14. Confidential Information

14.1. “Confidential Information” means all non-public information including but not limited to trade secrets, confidential business information, technical information and know-how, formulations, drawings, prints, material specifications, customer details, etc.

14.2. As an ID, you may have access to and /or knowledge of Confidential Information. You shall use Confidential Information only in the performance of your duties as an ID.

14.3. You shall hold Confidential Information in confidence and trust.

14.4. You shall ensure that Confidential Information is not disclosed or divulged to any person in any manner whether directly or indirectly in full or in part, both during and after your Term as an ID without prior clearance from the Managing Director & CEO unless required by law or by any regulatory body.

15. Intellectual Property Rights (IPR)

15.1. IPR includes but is not limited to all inventions, discoveries (whether or not capable of patenting) works of authorship, artistic, literary and creative work and the copyright therein, improvement to or concerned with any product, business strategy, plan or process made or developed by you or in combination with others, whether stored in paper form or electronic copy.

15.2. As an ID, you may have access to and /or knowledge of the Company’s IPR.

15.3. All IPR that arise in the course of your term as an ID of the Company shall be the sole property of the Company and the Company shall have exclusive rights over the same.

15.4. You shall use IPR only in the performance of your duties as an ID.

15.5. You shall hold IPR in confidence and trust.

15.6. You shall ensure that the Company’s IPR are not compromised in any manner whether directly or indirectly, in full or in part, both during and after your Term as an ID.

16. Communication

16.1. All communication to Muthoot Finance Limited shall be addressed to the following address:

The Company Secretary & Compliance Officer,
Muthoot Chambers,
Opposite Saritha Theatre Complex
Banerji Road, Kochi 682 018
Kerala
Tel: +91 484 669 0255
E-mail: cs@muthootgroup.com

16.2. All communication to you shall be addressed to the following address:

[Name],
[Address]
[E-mail]

16.3 In case of any change in the above information on either side, the same shall be communicated promptly to the other party.

17 Governing Law

17.1 These terms of appointment are governed by and will be interpreted in accordance with laws of India and your engagement shall be subject to the jurisdiction of the Indian Courts.