

### **Terms and Conditions of Appointment of Independent Directors**

Members of the Company have appointed following personnel as Independent Directors:

1. Ms. Sudha Pillai
2. Ms. Renu Challu
3. Dr. Milan Robert Shuster

Following are the terms and conditions of their appointment:

#### **Tenure of Appointment**

Appointment will be effective from the dates of their appointment till 30<sup>th</sup> September, 2017, unless renewed as per the Companies Act, 2013 ("Act"). Continuation of Directorship would be contingent on satisfactory performance and any relevant statutory provisions as per the Act.

#### **Resignation**

Independent Director (ID) of the Company may resign at any time, upon giving one month's notice in writing to the Chairman of the Board.

The resignation or removal will be in accordance with Section 168 and 169 of the Act and the Articles of Association of the Company.

#### **Time commitment**

IDs to give time commitment for the Board meetings, General Meetings and separate meeting of Independent Directors.

If decided by the Board, IDs will also be required to serve as a member on one or more Board Committees. The Board reserves the right to change the membership of Committees at any time.

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

#### **Roles& Responsibilities**

As a member of the Board, the IDs are expected to perform their duties, whether statutory or fiduciary, diligently and faithfully to a standard commensurate with both the functions of role & 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.

Addition to the requirements of all Directors, role of Independent Director has the following key elements:

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

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

**Risk:** IDs should satisfy themselves 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, IDs should assist the Board in protecting the legitimate interest of the Company, its stakeholders and its employees. If required they 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:** IDs 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 role and responsibilities of IDs would be as per Schedule IV to the Act or any statutory modifications or amendments therein.

### **Remuneration**

Subject to the provisions of the Act, IDs would be paid specified amounts of

1. **Sitting Fees** for the Meetings attended by them and
2. **Commission** of profits as approved by the NRC and Board.

The Company will reimburse for all the reasonable expenses incurred by IDs in connection with travel for attending Company's meetings.

### **Outside Business Interests and Other Directorships**

It is understood that IDs would have business interests other than those of the Company and have declared any conflicts of interest that are apparent at present. In the event that circumstances seem likely to change and might give rise to a conflict of interest, this should be disclosed to the Board.

IDs are expected to inform about directorships of any other Company or any other major appointments.

### **Confidentiality**

IDs are expected to maintain confidentiality of the information acquired by them during their appointment.

### **Insider Trading Rules**

IDs would be considered as an "Insider" under the Act and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992. In future, any trade in securities of Fullerton India Credit Company Limited by IDs or their immediate relatives will have to be as per the applicable laws.

### **Review process**

The performance of the Directors would be evaluated annually.

### **Independent professional advice**

IDs may seek external independent advice at the expense of the Company as appropriate with relevant approvals.

### **Notification of personal information**

For the purpose of complying with the statutory and business requirements IDs would need to share their personal and professional information as and when required.

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

IDs are required to comply with provisions of the Act and or any other relevant regulations that may be in force today or may come in force in future and the relevant Code of Conduct of the Company.

### **Directors & Officers Liability Insurance coverage**

The Company would take Directors & Officers Liability Insurance coverage to cover the eligible legal actions which might be initiated against the Directors.

### **Law**

IDs engagement with the Company would be governed by and shall be construed in accordance with the laws of India and it shall be subject to the jurisdiction of the Courts of (State) in India.