

LETTER OF APPOINTMENT MENTIONING TERMS AND CONDITIONS OF
APPOINTMENT OF INDEPENDENT DIRECTOR

Dear Director,

Sub: Your appointment as Independent Director of the Company.

I am pleased to confirm that at the ___ Annual General Meeting of the Company held on _____, the shareholders have approved your appointment as an Independent Director of Piramal Finance Limited (“the Company”) in accordance with section 149, 152 and other applicable provisions of the Companies Act, 2013 (‘Act’) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (‘Rules’).

I have pleasure in formalizing your appointment as Independent Director by this letter of appointment, in compliance with para IV(4) of Schedule IV of the Act. This letter sets out the main terms of your appointment.

1. Appointment

- (i) Your appointment as Independent Director is for a period of _____ (___) years, for a term up to _____, unless prematurely concluded by mutual consent, or otherwise as provided hereinafter.
- (ii) Your appointment is subject to the articles of association, the applicable provisions of law and the terms contained herein.
- (iii) You will continue to /may be required to serve on one or more Committees of the Board. You may also be required to serve in any other capacity as the Board may determine, keeping in mind the interests of the Company and/or the requirements of law. While such service sought from you would always be with your consent, we trust you will extend your cooperation in this behalf.
- (iv) The list of Committee(s) of the Board of which you are presently a member is enclosed.

2. Time Commitment

- (i) The schedule of Meetings of the Board and of the Committees are generally fixed one year in advance. The meeting schedule for the current financial year has already been forwarded to you.

In addition to this, depending on business exigencies, additional meetings may be convened.

While the Company would seek your convenience for availability for such meetings, this will depend on the convenience of a majority of directors.

You agree to devote such time as may be necessary for such meetings and for the proper performance of your duties. Whilst we recognize that given your expertise and recognition in industry, you would have your own commitments, it is mutually agreed that you will extend your full cooperation in attending these meetings and in giving your time and commitment to the business of the Company and towards this end, that you are able to and will devote, sufficient time to your duties as an Independent Director of the Company.

3. Duties

- (i) You will observe the highest standards of ethics in your role as Independent Director on the Board of the Company.
- (ii) You agree to observe, in letter and spirit, the duties of directors as stipulated in relevant sections of the Act (as amended or re-enacted from time to time) and the relevant Rules prescribed thereunder (as amended from time to time), in particular, as stipulated in section 166 of the Act.
- (iii) You would also likewise observe the Code for Independent Directors which is codified as Schedule IV of the Act (as amended from time to time).
- (iv) You would strive to avoid the occurrence of any events specified under section 167 of the Act (as amended from time to time), that would result in your vacation of office as Director. You would also strive to avoid incurring any of the disqualifications mentioned in section 164 of the Act (as amended from time to time). In the unfortunate event of such events / disqualifications getting attracted, you would immediately inform the Company of the same.
- (v) You will promote the success of the Company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to –
 - a) the likely consequences of any decision in the long term;
 - b) the desirability of the Company maintaining a reputation for high standards of business conduct.
- (vi) In your role as Independent Director you will be required to:
 - a) constructively challenge and help develop proposals on strategy;
 - b) scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
 - c) satisfy yourself on the integrity of financial information and that financial controls and systems of risk management are robust and defensible;

- d) determine appropriate levels of remuneration of executive directors and have a prime role in appointing and, where necessary, removing executive directors, and in succession planning;
 - e) devote time to developing and refreshing your knowledge and skills;
 - f) uphold high standards of integrity and probity and extend your support in instilling the appropriate culture, values and behaviours in the boardroom and beyond;
 - g) take into account the views of shareholders and other stakeholders where appropriate.
- (vii) You will be required to exercise your powers and discharge your responsibilities as a director in accordance with the applicable law, the Company's Articles of Association and the applicable policies and procedures of the Company.
- (viii) You will disclose any direct or indirect interest which you may have in any matter being considered at a board meeting or committee meeting and, save as permitted under the Act and other applicable law, you will not vote on any resolution of the Board, or its committees, on any matter where you have any direct or indirect interest.
- (ix) Unless specifically authorized to do so by the Board and permitted by law, you will not enter into any legal or other commitment or contract on behalf of the Company.

4. Remuneration and Expenses

- (i) You would receive a fee ('Sitting Fee') for attending meetings of the Board or Committees thereof. The quantum of Sitting Fee shall be such as is determined by the Board from time to time;
- (ii) In addition to Sitting Fee, the Board may also approve payment of performance related commission, which would be within such limit as may be permissible under the Companies Act, 2013 and as may be approved by the members of the Company.
- (iii) You would be entitled to reimbursement of all expenses properly incurred by you for participating in the meetings of the Board, its Committees and other meetings.
- (iv) In addition to the above, the Board may in its sole and uncontrolled discretion and subject to and within the framework of applicable law, agree to remunerate you for any services provided by you to the Company.
- (v) All payments for services rendered are subject to income tax and other statutory deductions and requirements.

- (vi) On termination of the appointment you shall only be entitled to such fees as may have accrued to the date of termination, together with reimbursement in the normal way of any expenses properly incurred prior to that date.

5. Independence and Interests

- (i) You have already disclosed to the Board the significant commitments you have outside this role. You must inform the Board in advance of any changes to these commitments. Where any such change results or is likely to result into any conflict of interest or a conflict of any of your duties to the Company, the prior consent of the Board would have to be sought before accepting such further commitments.
- (ii) In the event that you become aware of any potential or actual conflicts of interest, these should be disclosed to the Board and the Company Secretary as soon as they become apparent and, again, the agreement of the Board may have to be sought.
- (iii) You would continue to maintain the qualifications stipulated under the Act and applicable regulation the Listing Agreement with the Stock Exchanges for being eligible to continue as Independent Director during your term of office.

6. Confidentiality

- (i) You acknowledge that all information acquired during your appointment is confidential to the Company and should not be released, communicated, nor disclosed either during your appointment or thereafter, to third parties without the prior clearance of the Chairman of the Company.
- (ii) This restriction shall cease to apply to any confidential information which may (other than by reason of your breach) become available to the public generally.
- (iii) You acknowledge the need to receive, hold and retain company information (in whatever format you may receive it) under secure conditions and to take appropriate steps to maintain strict confidentiality thereof.

7. Performance Evaluation Process

The performance of individual directors and the whole Board and its committees will be evaluated annually or at such higher frequency as the Board may decide from time to time.

8. Changes to Personal Details

You shall advise the Company Secretary promptly of any change in address or other personal contact details.

9. Return of Property

Upon cessation of your term as Director of the Company, you shall deliver to the Company property of the Company which may be in your possession or under your control, and which relate in any way to the business or affairs of the Company, and you shall not retain any copies thereof.

10. Premature conclusion of term of appointment

Your existing term of appointment would stand terminated and concluded on the occurrence of any of the following events:

- (i) Upon either party deciding to prematurely conclude the existing term of appointment. In such an event, the party deciding to so conclude the existing term of appointment would serve a reasonable written notice on the other;
- (ii) The Company may terminate your appointment if you:
 - a) commit a material breach of your obligations under this letter; or
 - b) commit any serious or repeated breach or non-observance of your obligations to the Company (which include an obligation not to breach your duties to the Company, whether statutory, fiduciary or common-law); or
 - c) are guilty of any fraud or dishonesty or acted in a manner which, in the opinion of the Company, brings or is likely to bring you or the Company into disrepute or is materially adverse to the interests of the Company; or
- (iii) In addition to what is stated above, continuation of your contract of appointment is also contingent on your satisfactory performance as Independent Director and any relevant statutory provisions relating to the removal or disqualification of a director.

11. Extension of Existing Term

Upon the expiry of your present term, and subject to your eligibility under the relevant provisions of the Act, Rules, Listing Agreement and other applicable law(s), as prevailing from time to time, the Board may, at its discretion and subject to the outcome of performance evaluation, recommend to the shareholders an extension or renewal of your existing term for such period as it may deem fit and proper, in the interest of the Company.

12. Rights of Third Parties

No person other than you and the Company shall have any rights under this letter and the terms of this letter shall not be enforceable by any person other than you and the Company.

13. Law

- (i) 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.
- (ii) This letter constitutes the entire terms and conditions of your appointment and no waiver or modification thereof shall be valid unless in writing and signed by the parties hereto.

I, alongwith the other members of the Board, look forward to your continued presence on the Board and your continued interaction which goes a long way in enriching deliberations at the Board Meeting and adding tremendous value to the various ongoing and strategic decisions for the Company.

Please return the enclosed copy of this letter duly signed by you in token of your acceptance of the terms hereof.

Yours sincerely,
For **Piramal Finance Limited**

Director

Independent Director
DIN:

[Date]

Enclosed:

1. List of Board Committees of which you are a member;
2. Schedule of Board Meetings and of meetings of Board Committees of which you are a member;
3. Code of Conduct for Directors of the Company;

LIST OF BOARD COMMITTEES IN WHICH HE IS A MEMBER

Sr. No.	Name of the Committee	Member / Chairman
1.		