

**VARASHAKTI HOUSING FINANCE PRIVATE LIMITED  
LETTER OF APPOINTMENT OF INDEPENDENT DIRECTOR**

Date:

To

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**Sub: Appointment as an Independent Director of Varashakti Housing Finance Private Limited ("the Company")**

We are happy to welcome you to join the Company as an Independent Director. You shall hold office for a period of five years until....., subject to approval by the shareholders in the next General Meeting of the Company. This letter of appointment sets out the terms and conditions covering your appointment which are as follows:

**Appointment**

1. Your appointment as an Independent Director on the Board of Directors of the Company is subject to the provisions of the Companies Act, 2013.
2. In compliance with the provisions of Section 149(13) of the Companies Act, 2013, your Directorship is not subject to retirement by rotation.
3. Notwithstanding other provisions of this letter, the appointment may be terminated in accordance with the provisions of the Articles of Association of the Company or on failure to meet the parameters of Independence as defined in Section 149(6) or on the occurrence of any event as defined in Section 167 of the Companies Act, 2013.
4. Upon termination or upon your resignation for any reason, duly intimated to the Company, you will not be entitled to any damages for loss of office and compensation will be payable to you in respect of any unexpired portion of the term of the appointment.

**Expectation of Board**

5. As an Independent Director, you are expected to bring objectivity and independence of view to the Board's discussions and to help provide the Board 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. The Board generally meets four to five times in a year. Upon constitution of the Board Committees, the said Meetings will be held as and when required. You will be expected to attend the Board Meetings, Board Committee Meetings to which you may be appointed and the Shareholders meetings and to devote such time to your duties, as appropriate for you to discharge your duties effectively. Ordinarily, all Meetings are held in Chennai.

6. By accepting this appointment, you confirm that you are able to allocate sufficient time to meet the expectations from your role to the satisfaction of the Board.

### **Role**

7. Your role and duties will be those normally required of an Independent Director under the Companies Act, 2013. You will be expected to review the financials and operational performance of the Company from time to time and offer your suggestions and insights, along with the other Directors of the Board.

There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and are summarised as under:

- I. You shall act in accordance with the Company's Articles of Association.
- II. You shall act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interest of the Company.
- III. You shall discharge your duties with due and reasonable care, skill and diligence.
- IV. You shall not involve yourself in a situation in which you may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- V. You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.
- VI. You shall not assign your office as Director and any assignments so made shall be void.

### **Status of Appointment**

8. You will not be an employee of the Company and this letter shall not constitute a contract of employment.
9. You will be paid Sitting fees for attending Meetings of the Board and its Committees, as may be decided by the Board from time to time, within the limits prescribed under the Companies Act, 2013. In addition to the Sitting fee, the Company will, for the period of your appointment, reimburse you for all travel, hotel and other incidental expenses incurred by you in the performance of your role and duties.
10. You will have no entitlement for any bonus or Employee Stock Option Scheme (if any).

### **Insurance**

11. The Company proposes to take Directors' and Officers' liability insurance and it is intended that the Company will maintain such cover for the full term of your appointment.

## **Conflict of Interest**

12. It is accepted and acknowledged that you may have business interests other than those of the Company. You are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of your appointment and at subsequent applicable times.

## **Evaluation**

13. The Board of Directors will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors on an annual basis, when required under law. Your re-appointment, if any, on the Board shall be subject to the outcome of the yearly evaluation process.

## **Code of Conduct**

14. During your tenure as an Independent Director, you are required to comply with the regulations as contained in Schedule IV of the Companies Act, 2013 (Code for Independent Directors).

## **Confidentiality**

15. You must apply the highest standards of confidentiality; and not disclose to any person or company (whether during the course of the appointment or at any time after its termination), any confidential information concerning the Company and any Group Companies which you may acquire by virtue of your position as an Independent Director.
16. On termination of your appointment, you shall deliver to the Company all documents and other property of or relating to the business, if any, of the Company or any Group Company which are in your possession, custody or power by virtue of your position as an Independent Director of the Company.

## **Publication of Letter of Appointment**

17. In terms of the provisions of Schedule IV of the Companies Act, 2013, the Company will make public these terms and conditions of appointment and also display the appointment letter on the Company's website.

## **Membership of Committees**

18. The Board of Directors may appoint you as Member / Chairman of one or more of its Committees which will be covered in a separate communication setting out the relevant terms of reference.

## **Resignation / Termination**

19. You may resign from your position at any time and should you wish to do so, you are requested to serve a reasonable written notice on the Board. Further, in terms of provisions of the Companies Act, 2013, you are required to file a copy of your resignation letter with the Registrar of Companies.

## **General**

20. This letter is governed by and will be interpreted in accordance with Indian laws and will be subject to jurisdiction of the Indian courts.
21. The Company may be required to submit your KYC documents to banks and other financial institutions/regulatory bodies from time to time. The said documents will be submitted with prior intimation to you.

Kindly confirm the acceptance of this letter.

We look forward to your association with us.

Yours sincerely

**For Varashakti Housing Finance Private Limited**

**Managing Director**

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Accepted

**Director**