

Ref: 2015: DIR/APPT LR

Date:

Name of the Director

Address :

Dear Sri / Smt ,

Hearty welcome to the Board of Directors (“Board”) of M/s Shriram City Union Finance Ltd (“Company”). This letter of appointment is issued to formalize your appointment as an Independent Director in compliance with Schedule IV, Para IV(4) of the Companies Act, 2013 (“Act”) and Clause 49 of the Listing Agreement (“LA”), regulations of RBI and other regulations.

The operations of the Company are managed under the directions of the Board within the frame work of the Act, LA, Memorandum & Articles of Associations of the Company (“MAA”), RBI Regulations and other governing laws.

1. POSITION AND TENURE :

Your appointment is as Non Executive and Independent Director (NE, I) with effect from --- ----- for a period of 5 years till ----- . Necessary e-Form No DIR-12 confirming your appointment as a Director will be filed with the Registrar of Companies, Chennai in due course, a copy of which will be sent to you for your kind reference. As an Independent Director you will not be liable to retire by rotation. The term Independent Director should be construed as defined under the Act and the LA. Your appointment and tenure as Independent Director shall be consistent with the applicable provisions of the Act and the LA. Your position of directorship in the Company shall be disclosed as Non Executive and Independent in all the documents of the Company.

2.MEETINGS OF THE BOARD AND EXPECTATION:

There are generally 4 meetings of the Board held in a year with 1 in each quarter. The Agenda & necessary papers of the meetings will be sent to you or uploaded on the online software atleast 7 days in advance of each meeting except unpublished price sensitive information for which intimation will be sent at shorter notice. The tentative calendar of the meetings for a year after it is approved by the Board, shall be intimated to you at least one month in advance of the year to enable you to mark your calendar for the meetings. As a member of the Board, you would be required to attend and participate in the meetings of the Board and respective Committee/s, where you are or will be a member and provide your valuable suggestions and input. You are entitled to have voting rights as per provisions of the Act and MAA in the meeting of the Board and in Respective Committees. You will not be entitled to participate or vote in any subject of any meeting, where you or your relations are interested. The deliberations in the meeting of the Board and Committees are minuted and circulated to the Members of Board/Committee. Your performance as a member of the Board/ Committee shall be evaluated annually.

3.ROLES AND RESPONSIBILITIES:

The Board as a whole is collectively responsible for driving the growth of the Company by directing, supervising and controlling it's affairs. The Board and Committees of the Board formulate different policies for the Company as required under different regulations and for conduct of business. There are few such policies of the Company and few of them are displayed on the web site of the Company. Please go through those policies in order to familiarize yourself .

You must act in good faith in what you believe to be in the best interest of the Company and comply with all laws both in spirit and in action and exercise independent judgement. You will also ensure the interests of minority shareholders are adequately protected. The duties are fiduciary in nature and comes with accompanying liabilities.

4.INSURANCE:

The Company has taken a Directors & Officers liability Insurance Policy from HDFC ERGO General Insurance Company Ltd for ₹ 10 Cr and the same is in force. You would be covered under this policy. A copy of the same policy will be sent to you in due course.

5.DUTIES, ROLES AND FUNCTIONS:

Role and Duties as a member of the Board/Committee shall be governed by requirements of the business, Act, LA, RBI regulations and other applicable laws. In terms of section 166 of the Act, you shall (I) act in accordance with the Company's MAA, (II) 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, its employees, the shareholders, the community and for the protection of environment, (III) exercise your duties with due and reasonable care, skill and diligence (IV) 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) not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates, (VI) not assign your office as Director and any assignments so made shall be void.

In terms of Section 149(8) of the Act, you shall also abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Act and duties of directors as provided in the said Schedule and in Clause 49 of the LA. For your ready reference, the relevant provisions have been extracted and attached to this letter as Annexure-1.

6.CODE OF CONDUCTS AND COMPLIANCES :

You are to uphold ethical standards of integrity and probity and exercise responsibilities in a bona fide manner in the interest of the Company. The Company has formulated "Code of Conduct for Directors and Senior Management", "Code of Conduct for Prohibition of Insider Trading & for Corporate Disclosure Practice. Both the Codes are displayed on the web site of the Company and can be assessed with <http://www.shriramcity.in/files/Codeofconduct/index.html> & <http://www.shriramcity.in/files/ode-of-Conduct-for-Prohibition-of-Insider-Trading-and-for-Corporate-Disclosure-Practice/index.html#0> . You are expected to follow the same and confirm initial and continual compliance to these Codes as required. The Company follows corporate governance practices and you can give your input for making it more stronger. You shall be required to submit the followings as and when required and update them periodically, in case of any change.

S No	Forms/Declaration	Particulars	Regulation	Period
1	DIR-2	Section 152(5) & rule 8 of the Companies (Appointment and Qualification of Directors), Rules, 2014	Act	Initial
2	MBP-1	Section 184 (1) & rules 9 (1)	Act	Initial & annual
3	List of Relatives	Clause 77 of Section 2 of the Companies Act, 2013 & Companies (Specification of Definition Details) Rules, 2014	Act	Initial & Annual

4	Declaration-wilful defaulter	RBI/2015-16/100 – DBR No.CID.BC.22/20.16.03/2015-16 dated July 1, 2015	RBI	Initial & Annual
5	Declaration-substantial interest	RBI/2015-16/100 DBR No.CID.BC.22/20.16.03/2015-16 dated July 01, 2015	RBI	Initial & Annual
6	Declaration & Undertaking	DNBR (PD) CC No 040/03.01.001/2014-2015 dated June 3, 2015	RBI	Initial & Annual
7	Deed of Covenants			Initial & Annual
8	Declaration of Independence	Section 149 (7), Schedule IV Clause 49	Act LA	Initial & Annual
9	DIR-8	Section 164 (2) and Rule 14 (1) of Companies (Appointment and Qualifications of Directors) Rules, 2014	Act	Initial & Annual
10	Declaration - Code of Conduct	Clause 49	LA	Initial & Annual
11	Declaration on holding of Securities	Clause 49	LA	Initial & Annual
12	Details of Securities held	Regulation 6 (2)	SEBI (Prohibition of Insider Trading) Regulations, 2015	Initial & continual

7.CORPORATE OPPORTUNITY:

You may have business interests other than of the Company. You shall not in any form compete with, take any business competing or conflicting with the business of and use name/ image/ property/ information/ position in the Company for any personal gain. You are required to declare any directorships, appointments and interest any other Company/entity to the Chairman/Company Secretary in writing in the prescribed form at the time of your appointment or any change thereto. In the event you become aware of any potential conflict of interest, the same would be disclosed by you to the Chairman/Company Secretary immediately in the prescribed form.

8.COMMITTEES:

The Board has appointed you as member/chairman of the following Committees constituted by it. The Board, if it deems fit, may appoint or change you as member/chairman on one or more Committees. Your appointment on such Committee(s) will be subject to the applicable laws and regulations.

S No	Name of the Committee	Position
1.	-----	Member
2.	-----	Member
3.	-----	Member

9.REMUNERATION:

Your remuneration is governed by the Policy on Appointment, Remuneration and Diversity of Board of the Company as amended from time to time .This policy is displayed on the web site of the Company and can be accessed at <http://www.shriramcity.in/files/POLICY-ON-APPOINTMENT-REMUNERATION-AND-DIVERSITY-OF-BOARD/index.html#/0>. You are entitled at present to a sitting fee of ₹ 50,000 each of the meetings of the Board attended and ₹ 25,000 (₹ 10,000 for Stake holders relationship Committee) for attending each meeting of the Committee attended, where you are a member and general meetings attended and such fees shall be credited to your Bank Account. The Company shall bear/reimburse all reasonable expenses for attending meetings of the Board, Committees and other meetings. This is subject to change at any time.

10.CONFIDENTIALITY:

All information acquired during your directorship in the Company are confidential and should not be disclosed or released, either during your continuance or following separation (by whatever means), to third parties without prior written approval from the Chairman unless such disclosures are required under any law. Your attention is drawn to the requirements under both legislation and regulation on disclosure of price sensitive information. Therefore, you should avoid making any statements that might risk a breach of these requirements. You are prohibited to trade in securities or to tip others to trade securities of the Company on the basis of unpublished price sensitive information of the Company.

11. INDUCTION AND TRAINING:

You may co-ordinate with the Chairman of the Company for undergoing an induction program, if you so desire, to acquaint yourself with the business, process, branches, auditors, internal auditors and the senior management of the Company and to familiarize yourself with the Company, business model of the Company etc. You may go through the Annual Report of the Company for the year 2014-15 and earlier years displayed at <http://www.shriramcity.in/Investor-agm.aspx>. You may also visit website of the Company www.shriramcity.in for further details. You may also propose any professional development programme you would wish to undertake to improve your expertise in corporate, corporate governance, your roles, rights, responsibilities in the Company, nature of the industry in which the Company operates.

12. RETIREMENT/RESIGNATION /TERMINATION:

You would retire at the end of the period mentioned in Point No 1 above. You can resign from the directorship at any time you desire and your directorship can be terminated by the Board at any time without assigning any reason thereof.

Any subsequent amendment to any law, policies of the Company and decision of the Board shall automatically amend this letter to that effect. 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.

This letter is issued in place of appointment letter issued, if any to you earlier.

I consider it a great privilege to work with you on the Board/Committee of the Company. I am sure, the Company will benefit immensely through your contributions as a Board Member.

Kindly confirm your acceptance by signing a copy of the letter.

Best regards,

For SHRIRAM CITY UNION FINANCE LIMITED,

Debendranath Sarangi
Chairman

ACCEPTED :
