(Date)

Dear _________________

Sub: Letter of Appointment as a Non-Executive Independent Director ("Letter")

We thank you for your consent to hold office as a Non-Executive Independent Director of Niwas Housing Finance Limited (Formerly, Niwas Housing Finance Private Limited) ("**Company**") and confirmation that you meet the criteria of 'Independence' as envisaged in Section 149(6) of the Companies Act, 2013 ("**the Act**").

Pursuant to your confirmation, we are pleased to confirm that upon recommendation of the Nomination & Remuneration Committee, the Board of Directors ("**Board**") vide resolution dated ________________ has considered and approved your appointment as a Non-Executive Independent Director of the Board of the Company with effect from _________________.

Your appointment is subject to approval of the shareholders of the Company.

In terms of Schedule IV of the Act, your appointment as a Non-Executive Independent Director is being formalised through this Letter, which sets out the broad terms of your appointment as a Non-Executive Independent Director pursuant to the provisions of Section 149 and Schedule IV of the Act and other applicable laws. Your appointment is not a contract of employment with the Company.

Term of Appointment

You have been appointed as a Non-Executive Independent Director on the Board of the Company for a term of __ (______) years, effective from ____________ to ____________, and extendable by mutual written agreement ("**Term**") subject to the provisions of the Act and other applicable laws ("**Relevant Laws**"). As a Non-Executive Independent Director, you shall not be liable to retire by rotation.

Roles, Duties & Responsibilities

As member of the Board you, along with the other directors will be collectively responsible for meeting the objectives of the Board.

You shall abide by the Articles of Association of the Company, code(s) / policy(ies) as approved / may be approved by the Board of the Company, duties as provided in the Relevant Laws including as provided in Section 166 and Schedule IV of the Act and other Relevant Laws, relevant extracts of the same are annexed to this Letter as **Annexure – I** and shall meet professional roles & functions, duties, responsibilities, obligations and attributes.

You will also be responsible for providing guidance in the area of your expertise.

You agree that you will have no right to make any commitments on behalf of the Company or any of its affiliates without the express written consent of an authorised officer of the Company.

Time Commitment

Considering the nature of the role of a Non-Executive Independent Director, it is difficult for the Company to lay down specific parameters on time commitment. You agree to devote such time as is prudent and necessary for performance of your role, duties and responsibilities as a Non-Executive Independent Director.

Committee(s)

The Board may, if it deems fit, invite you to serve on one or more of the committees of the Board. Your appointment on such committee(s) will be subject to the Relevant Laws, rules, regulations and the Articles of Association of the Company.

You will be communicated upon your appointment as a member / chairman of any committee along with detailed terms of reference of the said committee to enable you to effectively discharge your duties as a member of such committee.

Remuneration

As a Non-Executive Independent Director you shall be eligible for sitting fees for attending the meetings of the Board and/or committee(s) of which you serve as a member. The quantum of sitting fees for Board and committee(s) meeting shall be as determined by the Board, in accordance with the provision of the Act and the Articles of Association of the Company.

Subject to the Relevant Laws, you shall be entitled to reimbursement of actual out of pocket expenses incurred for attending the Board and/or committee(s) meeting and for all official work of the Company which you are required to perform as a Non-Executive Independent Director of the Company.

In addition to the sitting fees, you may also be entitled to remuneration including by way of commission for an amount which, along with the terms of such remuneration shall be determined by the Board and the Shareholders of the Company, from time to time, in accordance with the provision of the Relevant Laws and policies, if any, of the Company. You shall be responsible for your personal taxation.

Confidentiality

You must maintain the highest standard of confidentiality and unless required by the law or any regulatory body, you should not disclose to any person or company, whether during the course of appointment or at any time after termination, any confidential information concerning the Company or its affiliates with which you come into contact by virtue of your position as a Non-Executive Independent Director of the Company.

All documents, records and files, in any media of whatever kind and description, relating to the business, present or otherwise, of the Company or any of its affiliates, and any copies, in whole or in part, thereof (the "**Documents**"), whether or not prepared by you, shall be the sole and exclusive property of the Company. You agree to use commercially reasonable efforts to safeguard all Documents and shall surrender to the Company, at the time your engagement terminates or at such earlier time or times as the Board or its designee may specify, all Documents then in your possession or control along with any passwords to access such documents, as may be required.

Non-disparagement

During your engagement with the Company and at all times thereafter, you will not disparage the Company, any of its affiliates or any of their respective management, businesses, products or services.

Termination

Resignation and removal of Independent Directors will be governed by the provisions of the Act and other applicable laws. Your engagement under this Letter will continue during the Term unless earlier terminated by the Company or you upon sixty (60) days' prior notice to the other party, which may be waived solely upon the Company's discretion; provided, however, that the Company may terminate your engagement hereunder without prior advance notice to you for Cause, in each case in accordance with applicable laws.

"Cause" means the occurrence of any of the following, as reasonably determined by the Board: (i) your material failure or gross negligence in the performance of your duties, which, if curable, is not cured by you within thirty (30) days following a written notice of such breach issued to you by the Company; (ii) your material breach of this Letter, including the restrictive covenants, which, if curable, is not cured within thirty (30) days after written notice; (iii) your conviction of, or plea of *nolo contendere* to, any crime involving moral turpitude; (iv) fraud, theft, or embezzlement with respect to the Company or its affiliates; (v) misconduct or sexual harassment, as determined under the Company's policies or by the Company's internal complaints committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013; or (vi) occurrence of an event which may impair the status of your independence or directorship in relation to the Company.

Performance Evaluation

The Company will carry out an evaluation of the performance of the Board as a whole, its committees and each director on an annual basis. Your re-appointment on the Board shall be subject to the outcome of the evaluation process.

Insurance

You are covered under the Directors' and Officers' liability insurance and it is intended to maintain such cover for the full term of your appointment.

Letter of appointment

In line with the provisions of the Act, the Company will be required to make public a generic copy of this Letter on its website and the same shall be open for inspection by its members at the Registered Office of the Company during normal business hours.

Miscellaneous

Neither you nor the Company may make any assignment of this Letter or any interest in it, by operation of law or otherwise, without the prior written consent of the other; provided, however, the Company may assign its rights under this Letter without your consent to one of its affiliates or to any Person with whom the Company shall hereafter effect a reorganisation, consolidation or merger.

If any portion or provision of this Letter shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Letter, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Letter shall be valid and enforceable to the fullest extent permitted by law.

Any notices provided for in this Letter shall be in writing and shall be effective when delivered in Person or deposited in the mail, postage prepaid, email and addressed to you at his last known address on the books of the Company or, in the case of the Company, to it at its principal place of business, attention of the Board, or to such other address as either party may specify by notice to the other actually received.

Acceptance of Appointment

We are confident that the Board and the Company will benefit immensely from your rich experience, and it will add value toward the growth of the Company.

This Letter shall be construed in accordance with and governed by the laws of India. Both parties hereby agree to submit to exclusive jurisdiction of the courts of Mumbai, India.

Please confirm your agreement to the above by signing and returning to me the enclosed duplicate of this Letter.

Thanking You,

For **Niwas Housing Finance Limited**
(Formerly, Niwas Housing Finance Private Limited)

____
Authorised Signatory

I hereby acknowledge receipt of and accept the terms set out in this Letter.

(Name of Director)
DIN: ___________

Annex: As Above

Annexure-I

CODE FOR INDEPENDENT DIRECTORS
(Schedule IV of the Act)

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of independent directors.

As a non-executive independent director, a director has the same general legal responsibilities to the Company as any other director including all fiduciary duties, responsibilities, statutory obligations and liabilities of directors prescribed under applicable laws.

I. Guidelines of professional conduct:

An independent director shall:

I) uphold ethical standards of integrity and probity;
2) act objectively and constructively while exercising his duties;
3) exercise his responsibilities in a *bona fide* manner in the interest of the company;
4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
5) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
6) not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
7) refrain from any action that would lead to loss of his independence;
8) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
9) assist the company in implementing the best corporate governance practices.

II. Role and functions:

The independent Directors shall:

1) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
2) bring an objective view in the evaluation of the performance of board and management;
3) scrutinise the performance of management in meeting agreed goals and objectives and monitor the repo1ting of performance;
4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
5) safeguard the interests of all stakeholders, particularly the minority shareholders;
6) balance the conflicting interest of the stakeholders;
7) determine appropriate levels of remuneration of executive Directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive Directors, key managerial personnel and senior management;
8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

III. **Duties:**

The independent Directors shall-

1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
2) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
5) strive to attend the general meetings of the company;
6) where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
7) keep themselves well informed about the company and the external environment in which it operates;
8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
9) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;
10) ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
11) repo11 concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
12) acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees
13) not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

IV. **Manner of appointment:**

I) Appointment process of independent Directors shall be independent of the company management; while selecting independent Directors the Board shall ensure that there is appropriate balance of skills, expertise, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively

2) The appointment of independent director(s) of the company shall be approved at the immediate next meeting of the shareholders or within such period required under Relevant Laws

3) The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfils the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.

4) The appointment of independent Directors shall be formalised through a letter of appointment, which shall set out:
   a) the term of appointment;
   b) the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;
   c) the fiduciary duties that come with such an appointment along with accompanying liabilities;
   d) provision for Directors and Officers (D and 0) insurance, if any;

e) the Code of Business Ethics that the company expects its Directors and employees to follow;

f) the list of actions that a director should not do while functioning as such in the company; and

g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any

5) The terms and conditions of appointment of independent Directors shall be open for inspection at the registered office of the company by any member during normal business hours,

6) The terms and conditions of appointment of independent Directors shall also be posted on the company's website.

V. Re-appointment:

The re-appointment of independent director shall be on the basis of report of performance evaluation.

VI. Resignation or removal:

I) The resignation or removal of an independent director shall be in the same manner as is provided in sections l 68 and 169 of the Act, the agreement entered into between such Independent director and the Company and any other Relevant Laws.

2) An independent director who resigns or is removed from the Board of the company shall be replaced by a new independent director at the earliest and in any case not later than three months from the date of such resignation or removal, as the case may be.

3) Where the company fulfils the requirement of independent Directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

VII. Separate meetings:

I) The independent Directors of the company shall hold at least one meeting in a financial year, without the attendance of non-independent Directors and members of management;

2) All the independent Directors of the company shall strive to be present at such meeting;

3) The meeting shall *inter-alia:*

a) review the performance of non-independent Directors and the Board as a whole;

b) review the performance of the Chairperson of the company, taking into account the views of executive Directors and non-executive Directors;

c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perfo1m their duties; and

d) consider and perform any other matter as required under the Relevant Laws.

VIII. Evaluation mechanism:

I) The performance evaluation of independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.

2) On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

Duties of Directors
(Section 166)

1) Subject to the provisions of this Act, a director of a company shall act in accordance with the articles of the company.
2) A director of a company 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 interests of the company, its employees, the shareholders, the community and for the protection of environment.
3) A director of a company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
4) A director of a company shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
5) A director of a company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.
6) A director of a company shall not assign his office and any assignment so made shall be void.