

MAHINDRA RURAL HOUSING FINANCE LIMITED

Terms and Conditions for the appointment of Independent Directors

Following are the terms and conditions for the appointment of the Independent Directors in compliance with Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act"):

- The Independent Directors shall be governed by the Code for Independent Directors as laid down in Schedule IV to the Act read with section 149(8) of the Act;
- The Independent Directors shall also comply with the Company's Code of Conduct for Directors and Code of Conduct for prevention of Insider Trading in Securities of the Company;
- The Independent Directors shall take note of section 194 of the Act which inter alia, prohibits forward dealing in securities of the company/its holding company/its subsidiaries/associate companies by Directors of the Company and section 195 of the Act which prohibits insider trading of the securities of the Company;
- The Board of Directors of the Company has various Committees viz. Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee etc. The Board of Directors may appoint the Independent Directors as Chairman/Member of one or more of the Committees;
- The Independent Directors shall periodically hold exclusive meetings without attendance of Non-Independent Directors and Members of the Management. They shall strive to be present at such Meetings;

- Mahindra & Mahindra Limited, the ultimate parent company, has taken a Group level Directors & Officers Liability Policy and all Directors of the Company are beneficiaries of the Policy;
- The remuneration of Independent Directors shall be determined by the Board of Directors based on their performance evaluation done by the entire Board of Directors which will, inter alia, include their participation in the Board and Committee Meetings during the year and other responsibilities undertaken and contributions to the deliberations of the Board and to the Company;
- Independent Directors shall also be entitled to sitting fees and also be eligible for to and fro business class air fare, accommodation, boarding, conveyance and other incidentals for attending the Board and Committee Meetings and for discharging their duties as Independent Directors of the Company.
- The Independent Directors are expected not to disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law;
- The resignation or removal of an Independent Director shall be in the same manner as provided in sections 168 and 169 of the Act.
