

LETTER OF APPOINTMENT FOR INDEPENDENT DIRECTOR

February 07, 2025

Mr. Santosh Kumar Panigrahy,
Flat No. 27, Bank House,
RBI Sr Officers Quarters, 156 Backbay Reclamation,
Churchgate, Mumbai - 400 020,
Maharashtra, India,

Dear Mr. Santosh Kumar Panigrahy,

Sub: Appointment as an Independent Director of the Company

I am pleased to inform you that based on your confirmation that you meet the criteria of 'Independence' as provided under the Section 149(6) of the Companies Act, 2013 ('the Act') and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (SEBI (LODR) Regulations, 2015) and upon the recommendation of the Nomination & Remuneration Committee and the approval of the Board of Directors of Muthoot Fincorp Limited (hereinafter referred to as "MFL" or the "Company"), you are hereby appointed as an Independent Director (Non-Executive) on the Board of the Company with effect from February 08, 2025.

This letter of appointment sets out the terms and conditions covering your appointment which are as follows:

1. Terms of Appointment

As an Independent Director, you are eligible to serve for a period of two term of 5 years each, subject to the approval of shareholders of the Company.

You shall hold the office w.e.f. February 08, 2025 as an Additional Independent Director of the Company till the conclusion of the next General Meeting, and subject to the approval of shareholders in the ensuing General Meeting, you shall hold the office for a term of up to three consecutive years from the General Meeting.

As an Independent Director, you will not be liable to retire by rotation.

Your appointment is subject to the following:

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- 1.1 During your tenure as an Independent Director, you will have to submit a declaration at the beginning of every Financial Year under Section 149(7) of the Act, and Regulation 25 of SEBI (LODR) Regulations, 2015 stating that you meet the criteria of independence.
- 1.2 You shall not hold office as a Director or act as a Chairman or Committee member in excess of the limit stipulated under the Act and SEBI (LODR) Regulations, 2015.
- 1.3 You will ensure that you do not get disqualified to act as a Director pursuant to the provisions of Section 164 of the Act.
- 1.4 You shall abide by the 'Code of Conduct for Independent Directors' as outlined in Schedule IV of the Act and such other duties as may be prescribed in the Act.

2. Re-appointment

Your re-appointment at the end of this term shall be based on the recommendation of the Nomination & Remuneration Committee and subject to the approval of the Board of Directors and shareholders of the Company.

3. Board and Committees of the Board

The Board may, if it deems fit, invite you for being appointed on one or more existing Committees of Board or any such Committee that is set up in the future. Your appointment on such Committee(s) will be subject to the applicable provisions of the Act and SEBI (LODR) Regulations, 2015

4. Time Commitment

- 4.1 As a Non-Executive 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 meets at least four times in a year. The Audit Committee also meets at least four times in a year. Besides, there are other meetings of the Committee like Nomination and Remuneration Committee, Risk Management Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee which are ordinarily convened as and when required. You will be expected to attend meetings of the Board, Committees to which you may be appointed and Shareholders and to devote such time to your duties, as appropriate for you to discharge your duties effectively. Ordinarily, all meetings are held in Trivandrum.
- 4.2 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.



5. Roles and Duties

Your roles and duties will be those normally required of a Non-Executive Independent Director under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and are as under:

- a) You shall act in accordance with the Company's Articles of Association.
- b) 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.
- c) You shall discharge your duties with due and reasonable care, skill, and diligence.
- d) 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. Please refer to clause 8 for full explanation on conflict of interest.
- e) You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners, or associates.
- f) You shall not assign your office as Director and any assignments so made shall be void.

In addition to the above requirements applicable to all Directors, the role of the Non-Executive Director has the following key elements:

Strategy: Non-Executive Directors should constructively challenge and helps to develop proposals on strategy;

Performance: Non-Executive Directors should scrutinize the performance of management in meeting agreed goals and objectives;

Risk: Non-Executive Directors should satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are robust and defensible;

People: Non-Executive Directors are responsible for determining appropriate levels of remuneration of Executive Directors and have a prime role in appointing, and where necessary, removing Executive Directors and in succession planning;

Reporting: Non-Executive Directors take responsibility for the processes for accurately reporting on performance and the financial position of MFL; and

Compliance: Non-Executive Directors should keep governance and compliance with the applicable legislation and regulations under review and the conformity of MFL practices to accepted norms.



6. Status of Appointment and Remuneration

- 6.1 You will not be an employee of the Company and this letter shall not constitute a contract of employment. You will be paid such remuneration by way of sitting fees for meetings of the Board and its Committees as may be decided by the Board from time to time.
- 6.2 The sitting fees presently paid to the Non-Executive Independent Director is Rs. 1,00,000/- per meeting of the Board, Rs. 60,000/- per meeting of the Audit Committee and Rs. 30,000/- per meeting of the other Committees (if you are appointed as a member in the Committees).
- 6.3 You will not be eligible for the stock options of the Company.

7. Reimbursement of Expenses

In addition to the remuneration described in paragraph 6 above, the Company will, for the period of your appointment, reimburse you for the travel, hotel and other incidental expenses incurred by you in the performance of your roles and duties.

8. Conflict of Interest

- 8.1 It is accepted and acknowledged that you may have business interests other than those of the Company. As a condition to your appointment, 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 or whenever any changes occur.
- 8.2 In the event that your circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead the Board to revise its judgment that you are independent, this should be disclosed to both the Chairman, Managing Director and the Company Secretary.

9. Confidentiality

- 9.1 All information acquired during your appointment is confidential to MFL and should not be released, either during your appointment or following termination (by whatever means) to third parties without prior clearance from the Chairman or Managing Director unless required by law or by the rules of any stock exchange or regulatory body.
- 9.2 Your attention is also drawn to the requirements under the applicable regulations and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, and the disclosure of price sensitive information while dealing in the securities of MFL. Consequently, you should avoid making any statements or performing any transactions that might risk a breach of these requirements without prior clearance from the Chairman or Managing Director or the Company Secretary.



10. Training/Familiarization

You are provided with relevant literature such as Annual Reports, other documents/publications and code of conduct etc., at the time of your appointment to familiarize with the Company. Presentations are made to the meetings of the Board and Committees on economy, industry scenario, operational and financial performance of the Company, market share, risk and mitigation plans, initiatives on health and safety, CSR and sustainability, compliances and regulatory scenario etc.

Please avail yourself of these opportunities as fully as is appropriate to your personal circumstances.

11. Performance Evaluation

Your re-appointment on the Board shall be subject to the outcome of the evaluation process by the Board, which took place annually.

12. Independent Professional Advice

There may be occasions when you consider that you need professional advice in furtherance of your duties as a Director and it will be appropriate for you to consult independent advisers at Company's expense. The Company will reimburse the full cost of expenditure incurred in accordance with the Company's policy.

13. Disclosure of Interest

The Company must include in its Annual Accounts a note of any material interest that a Director may have in any transaction or arrangement that the Company has entered into. Such interest should be disclosed no later than when the transaction or arrangement comes up at a Board meeting so that the minutes may record your interest appropriately and our records are updated. A general notice that you are interested in any contracts with a particular person, firm or company is acceptable.

14. Termination

- 14.1 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.
- 14.2 Continuation of your appointment is contingent on your getting re-elected by the shareholders in accordance with provisions of Companies Act, 2013 and the Articles of Association of the Company, from time to time in force. You will not be entitled to compensation if the shareholders do not re-elect you at any time.
- 14.3 Your appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company from time to time in force.



15. Governing Law

This agreement is governed by and will be interpreted in accordance with Indian law and your engagement shall be subject to the jurisdiction of the Indian courts.

It is our pleasure to have you on our Board. I am confident that your association, expertise and advice will immensely benefit the Board of Directors and the Company.

The above stated terms are within the legal framework and Regulations applicable to a Director of the Company. Kindly peruse the Terms carefully and confirm your acceptance to abide with the same by putting your signature on the second copy.

Request you to courier the second copy of this Letter to our Registered Office, addressing the Company Secretary.

Best Regards,

Yours sincerely,



Thomas John Muthoot
Chairman & Managing Director
For and on behalf of **Muthoot Fincorp Limited**



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

Signed: *Santosh Kumar Panigrahy*
Date: *February 8, 2025*