LIC HFL
LIC HOUSING FINANCE LTD

Ref.No.:LICHFL/CS/Appt-ID

20th August, 2014

Shri T. V. Rao
Director
803, Silver Lake,
Terrace Apartments,
167, Richmond Road,
Bangalore – 560 025

Respected Sir,

Sub: Appointment as an Independent Director of LIC Housing Finance Limited.

On behalf of the Company, I wish to inform you that the shareholders of the Company at the Annual General Meeting held on 19th August 2014 have ratified your appointment as Independent Director of Company. We look forward to your guidance, advice and support in taking the Company on the path of sustainable and profitable growth.

Appointment

a) Your appointment as Non Executive Independent Director on the Board of the Directors of the Company is subject to the provisions of the Companies Act, 2013.
b) In compliance with the provision of section 149(13) of the Companies Act, 2013, your directorship is not subject to retirement by rotation.

Expectation

a) As a Non Executive Independent Director you are expected to bring objectivity and independence of view to the Board's discussion 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 seven times in a year. The Audit Committee generally meets atleast six times in a year. Besides, there are other Committee meetings like Risk Management Committee, Executive Committee, Stakeholders Relationship Committee, Debenture Allotment Committee, Corporate Social Responsibility Committee, Banking Licence Committee and Nomination & Remuneration Committee which are convened as per requirements. You will be expected to attend Board and Board Committees to which you may be appointed and shareholders' meeting and to devote such time to your duties, as appropriate for you to discharge your duties effectively. All meetings including shareholders' meetings are held in Mumbai.
b) By accepting this appointment, you confirm that you are able to allocate sufficient time to meet the expectation from your role to the satisfaction of the Board.

Role and Duties

a) Your role and duties will be those normally required of a Non Executive Independent Director under the Companies Act, 2013. There are certain duties prescribed for all Directors which are fiduciary in nature and are as under:

i) You shall act in accordance with the Company's Articles of Association as may be amended from time to time.
ii) You shall act in good faith in order to promote the objects of the Company for the benefits 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.

In addition to the above requirements, the Board of Directors also expect you to perform the following functions:

i) You should constructively challenge and help develop proposals on strategy for growth of the Company.
ii) You should evaluate the performance of management in meeting agreed goals and objectives.
iii) You should satisfy yourself on the integrity of financial information and that financial controls and systems or risk management are effective and defensible.
iv) You shall take responsibility for the processes for accurately reporting on performance and financial position of the Company.
v) You should keep governance and compliance with the applicable legislation and regulations under review and the conformity of Company's practices to accepted norms.

Insurance

The Company has Director's and Officers' liability insurance and it is intended that the company will assume and maintain such cover for the full term of your appointment.

Conflict of Interest

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 judgement that you are independent, this should be disclosed to both the Chairman and Company Secretary.

Evaluation

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 as per Company's policy.

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Code of Conduct

During the appointment you are required to comply with regulations as contained in Schedule IV under Companies Act, 2013, including the following codes of conduct of the company

a) Code of Conduct for Board of Directors and Senior Management
b) Code of Conduct for prevention of Insider trading in securities of the Company and such other requirements as the Board of directors may from time to time specify.

Status of Appointment

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 meeting of the board and its Committees as may be decided by the Board.

Reimbursement of Expenses

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

Publication of the letter of appointment

In line with provision of clause IV sub clause 6 of schedule IV under the Companies Act, 2013, the company will make public the terms and conditions of your appointment and will also arrange for it to be displayed on the Company's website.

General

Please confirm your agreement to the above by signing the returning the enclosed duplicate of this letter.

Thanking You,

Yours faithfully,
For LIC Housing Finance Ltd.

General Manager (Taxation) &
Company Secretary

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SHRI T. V. RAO Director

Mr. T. V. Rao is an Associate Member of Indian Institute of Bankers and is a career Banker with specialisation in Corporate Finance, Treasury Management and Mortgage backed Securitisation.

In his career spanning over three decades, he has experience in general banking, corporate finance and Treasury Management. He has headed the Treasuries of National Housing Bank, SIDBI and Exim Bank.

In his present assignment, he spearheads Exim Bank's activities related to capacity building and value addition in international trade through focussed seminars/ programmes on a gamut of issues; net working with National and International agencies connected with foreign trade.

Mr. Rao has widely travelled representing the institutions he was working from time to time and participated in various international seminars on topics like Mortgage backed Securitisation, Derivative Products, Structured Finance etc. He is a member of the International Trade Committee of the Federation of Karnataka Chambers of Commerce and Industry and also the EXIM Bank's nominee on the Board of NATCO Pharma Ltd., Indus Medicare Ltd., Hyderabad, BMM Ispat Ltd., Bangalore, Independent Director on the Boards of LIC Housing Finance Ltd., Mumbai, Electronica Finance Ltd., Pune, Canfin Homes Ltd., Bangalore and Public Representative Director on the Board of BGSE Financial Services Ltd., Bangalore.