

Oracle Financial Services Software Limited Directors' Appointment Policy

Issued: February 13, 2015

Last Revision: February 6, 2018

INTRODUCTION

This policy is formulated in compliance with the Companies Act, 2013, the Companies (Amendment) Act, 2017, the Listing Obligations and Disclosure Requirements, collectively referred to as “Regulations”.

The Board had adopted this Directors’ Appointment and Remuneration and Board Diversity Policy (“the policy”) on February 13, 2015. On February 6, 2018 the Board has amended the policy pursuant to the recent amendments to the Regulations.

The Nomination and Remuneration Committee (“NRC”) shall amend the Policy as needed in compliance with any future changes to the Regulations.

APPOINTMENT OF DIRECTORS POLICY

The appointment of Directors’ policy shall follow the following principles:

1. The minimum number of Directors will not fall below three and maximum will not exceed fifteen.
2. The Company will appoint at least one woman Director.
3. The Board of Directors will comprise a combination of Directors representing Promoters, Executive Directors, and Independent Directors. Of the total strength of the Directors, one third of the Directors will be Independent Directors.
4. Of the total strength of the Directors, not less than two thirds of the Directors will be liable to retire by rotation.
5. A person who is disqualified to become a director pursuant to the Companies Act, 2013 will not be appointed as a director of the Company.
6. The Nomination and Remuneration Committee of the Board will frame the process of selecting independent directors. The process can involve:
 - Seeking inputs from other Board Members and executive management of the company regarding the skills and qualifications desirable for the position.
 - Preparing a short list of potential directors, the NRC may appoint a professional executive search firm, tap the databank created by the Government for this purpose or seek references from other directors.
 - Establishing a panel comprising of at least three directors who shall select preferred candidate. The NRC will recommend the selected candidate to the Board.
7. The new independent director will be issued an appointment letter in a format substantially similar to that set out in the annexure ‘A’.

8. The tenure of the independent directors shall not exceed two consecutive terms of 5 years each.
9. The office of a Director shall become vacant in the event that such Director incurs any disqualifications specified under the Act.
10. The model letter for Appointment Letter as an Independent Director as set out in Annexure A shall be placed on the website of the Company

(Date)

(Name of Director)

(Address)

Dear (name of the Director)

Subject: Appointment as an Independent Director

Pursuant to the approval by the Shareholders of the Company in their Annual General Meeting held on [●], this letter of appointment sets out the terms of your appointment as an Independent Director of Oracle Financial Services Software Limited (the "Company"), such appointment is also subject to the applicable provisions of the Companies Act, 2013 ("2013 Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations"), any other applicable laws/rules, and the Articles of Association of the Company.

1. The term of appointment

Your appointment is for a term of five consecutive years from [●]. You will not be liable to retire by rotation during this period.

2. Duties and responsibilities

- I. As a member of the Board, you will be responsible for meeting the objectives of the Board.
- II. You will provide oversight and governance over the performance of the Company and help maintain an environment of compliance and high ethical standards. You will advise and counsel the management. You may be required to serve on one or more Committees of the Board and if so, you will abide by their respective terms of reference / scope.
- III. You will help in the Company to comply with:
 - the provisions of the 2013 Act,
 - the requirements of Listing Regulations,
 - any other requirements of the law,By providing guidance and counsel not only when requested, but in a pro active manner, having reference to your field of expertise and your experience.
- IV. You are required to abide by the 'Code For Independent Directors' as outlined in Schedule IV to section 149(8) of the 2013 Act, and duties of directors as provided in the 2013 Act and in the Listing Regulations.
- V. You will devote time to the Company in performance of your role.
- VI. You will abide by the Company's Code of Ethics & Business Conduct ("the Code").
- VII. In addition to any other acts prohibited by applicable laws, or custom, during your term, You will not:
 - Be involved in any situation in which you may have, or in which you may create a perception of having, a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company,
 - achieve or attempt to achieve any undue gain or advantage for yourself or to your relatives,

- assign your office to any other person.

3. Remuneration

Subject to the provisions of the 2013 Act, and as approved by the members of the Company, you shall be paid commission for your role, including for attending the meetings of the Board and the Committees of which you are a chairman or member.

The commission amount shall be determined in accordance with the structure approved by the Nomination and Remuneration Committee. No sitting fees will be paid by the Company for attending the meetings of the Board or any Committee thereof. The Company will reimburse to you such fair and reasonable expenditure incurred by you, where such expenditure was necessary to enable you to perform your role as a Director of the Company.

The commission shall be paid to you on a quarterly basis or at such other frequency determined by the Nomination and Remuneration Committee.

4. Director evaluation process

As a member of the Board, you shall participate in the director evaluation process as set out by the Board and/or Nomination and Remuneration Committee from time to time.

5. Disclosures

During the term you shall provide disclosures to the company as per the provisions of the Companies Act, 2013 and other applicable statutes.

6. Termination

Your directorship on the Board of the Company may be terminated in accordance with the provisions of the 2013 Act. In addition your directorship may be terminated on grounds of violation of provisions of Code of Conduct of the Company.

You may resign from the directorship of the Company by giving a notice in writing. The resignation shall take effect from the date mentioned in the notice or at a later date as may be specified by you in that behalf.

7. Provision for Directors and Officers insurance

The Company maintains a Directors' and Officers' Liability Insurance policy.

Your appointment is based on the declarations provided by you to the Company pursuant to the 2013 Act.

We believe that your association will be of immense benefit to the Company. Kindly confirm your acceptance by signing and returning the enclosed copy of this letter.

Thanking you,

Yours Sincerely,
For Oracle Financial Services Software Limited

Name:
Managing Director

AGREE AND ACCEPT

I have read and understood the terms of my appointment as an Independent Director of Oracle Financial Services Software Limited and I hereby affirm my acceptance of the same.

Name:

Date:

Place: