

Date: _____

NAME OF THE DIRECTOR
ADDRESS

SUBJECT: LETTER OF APPOINTMENT AS INDEPENDENT DIRECTOR

Dear Sir/ Madam,

We are pleased to inform you that due to your accomplishments and the wide range of expertise and experience that you can offer and upon the recommendation of the Nomination & Remuneration Committee ('NRC'), the Board of Directors of Larsen & Toubro Infotech Limited ('the Company') has approved your appointment as an Independent Director of the Company, with effect from _____.

Pursuant to the requirements of Schedule IV of the Companies Act, 2013 ("the Act"), we intend to issue this formal letter of appointment. Your appointment is not a contract of employment in the Company.

1. TENURE OF APPOINTMENT:

You will serve as an Independent Director for a term of five consecutive years commencing from _____ upto and including _____.

Pursuant to the requirement of the Companies Act, 2013, your appointment is subject to the approval of shareholders.

2. TERMS OF APPOINTMENT:

We thank you for your confirmation that you meet the independence criteria as envisaged in section 149(6) of the Act and Regulation 16 (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") as laid under **Annexure 1**.

Re-appointment

On the conclusion of the first term of appointment of five consecutive years, you may further be appointed for a term of upto five consecutive years, subject to the approval of the Board on the basis of the performance evaluation report and approval of the shareholders by way of a special resolution and you continuing to meet the independence criteria.

Retirement

As provided under the Act, you will not be liable to retire by rotation at any General Meeting of the Company. Your appointment is subjected to the Retirement Policy of the Company according to which the age of retirement will be 75 years.

Membership on other Boards

You can continue on the Boards of other companies. However, there should not be any conflict of interest vis-à-vis our Company. Upon joining as member of another Board, you will be required to inform the Company in the form in MBP-1 as given in **Annexure 2**.

Employee Stock Options

It may be noted that as provided under the Act and SEBI LODR Regulations, you will not be entitled to any stock options of the Company.

3. COMMITTEES OF THE BOARD:

Presently, the Company has following Committees of the Board:-

- a. Audit Committee
- b. Nomination & Remuneration Committee
- c. Corporate Social Responsibility (CSR) Committee
- d. Stakeholders' Relationship Committee
- e. Risk Management Committee

Brief descriptions of the Committees including their terms of reference are enclosed with this letter as **Annexure 3**.

You may be requested:-

- a) To be a Member/Chairman of any one or more Committees/ Sub-committees of the Board which may be constituted from time to time.
- b) To be a member on the Board of one or more of the Company's subsidiary.

4. ABOUT THE COMPANY:

A brief note providing information about the Company is enclosed with this letter as **Annexure 4**.

5. DEVOTION OF TIME:

It is expected that you will give sufficient time, as may be appropriate and essential in line with your responsibilities and duties as an Independent Director.

6. REMUNERATION:

As per the provisions of the Companies Act, 2013, the maximum limit of remuneration to be paid to all the Non-Executive Directors (NED)/Independent Directors of the Company is capped at 1% of the net profits of the Company.

Sitting fees will be Rs.50,000 per meeting of the Board and Rs.25,000 for meeting of the Board Committee. You will be entitled to reimbursement of expenses incurred by you, in connection with your attendance at Board, Committee and general meetings.

In addition to the sitting fees, profit related commission would also be payable to you. In determining the amount of this commission, the Nomination & Remuneration Committee of the Board may consider various factors which inter alia include attendance at Board and Committee meetings, Chairmanship of the Board and Committees, contribution to the Board and Committee meetings, participation in strategic decision making and inputs to executive management on matters of strategic importance. Also other factors like industry practices, performance evaluation and performance of the Company will be considered.

7. ROLES & FUNCTIONS:

As an independent director, you will be expected to:

- a) 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;
- b) Bring an objective view in the evaluation of the performance of Board, Committees and individual directors;
- c) Scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- d) Ensure the integrity of financial information and that financial controls and the systems of risk management are robust and flexible;
- e) Safeguard and balance the interest of all stakeholders;
- f) Moderate and arbitrate in the interest of the Company in situations of conflict between management and shareholder's interest.

8. RESPONSIBILITIES & DUTIES:

Following will be your responsibilities and duties:

- a) Updation of skills, knowledge and familiarity with the Company and the external environment in which it operates;
- b) Seeking appropriate clarification or amplification of information;
- c) Striving to attend and actively participate in all meetings of the Board and Committees of which you are a chairperson/member as well as the general meetings of the Company;
- d) Holding and/or participating actively in the separate meetings of the independent directors of the Company which shall:
 - review the performance of non-independent directors and the Board as a whole;
 - review the performance of the Chairperson of the Company, taking into account the views of executive and non-executive directors;
 - assess the quality, quantity and timeliness of flow of information between the Company's management and the Board, that is necessary for the Board to effectively and reasonably perform its duties.
- e) Ensuring that your concerns about the running of the Company or a proposed action, are addressed by the Board and, to the extent that are not resolved, insist that your concerns are recorded in the minutes of the Board meeting;
- f) Not unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- g) Ensuring adequate deliberations, before approving related party transactions and assuring yourself that the same are in the interests of the Company;
- h) Ensuring that the Company has an adequate and functional vigil mechanism and reporting concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy, if any;
- i) Acting within your authority, assist in protecting the legitimate interests of the Company, shareholders and employees;
- j) Not disclosing 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.

9. PROFESSIONAL CONDUCT:

As an independent director, you shall:

- a) Uphold ethical standards of integrity and probity;
- b) Act objectively and constructively while exercising your duties;
- c) Exercise your responsibilities in a bona fide manner in the interest of the Company;
- d) Devote sufficient time and attention to your professional obligations for informed and balanced decision making;

- e) Not allow any extraneous considerations that will vitiate your 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;
- f) Not abuse your 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;
- g) Refrain from any action that would lead to loss of your independence;
- h) Where circumstances arise which make you lose your independence, you must immediately inform the Board accordingly;
- i) Assist the Company in implementing the best corporate governance practices.

10. CODE OF CONDUCT OF THE COMPANY:

The Company has a well-defined Code of Conduct for Board and Senior Management ensuring proper compliance with necessary regulations. Every Director is expected to abide by the Code of Conduct in complete letter and spirit and furnish an Annual Affirmation of the same.

11. DEALING IN SECURITIES OF THE COMPANY:

The Company has in place a Larsen & Toubro Infotech Securities Dealing Code ('L&T Infotech SDC'). Directors are prohibited from dealing in the Company's securities during the period when the trading window is closed. They should not enter into insider trading and are expected to comply with L&T Infotech SDC as well as with the concerned provisions of the insider trading laws and regulations.

12. TRANSFER PRICING REGULATIONS:

The Government had introduced certain provisions in the Income Tax Act to ensure that specific domestic transactions between related parties are done at Arm's Length. The Company has to report the prescribed domestic transactions to the income tax authorities for which we request you to give a list of persons/entities which are related to you as per the definition of 'related parties' given in the Domestic Transfer Pricing guideline attached with this letter as **Annexure 5**.

You may give us the specified transactions done by you or by your relatives or by entities as stated, on annual/quarterly basis, if you are aware of such transactions, apart from annual disclosure in the 'Declaration under Domestic Transfer Pricing Rules' which is also enclosed with the above mentioned Annexure.

13. LIABILITY OF NON-EXECUTIVE DIRECTORS & INDEPENDENT DIRECTORS:

Abiding by the provisions of the Act, we would like to mention that you being non-executive independent director of the Company, will be held liable, only in respect of such acts of omission or commission which have occurred with your knowledge, attributable through Board processes, and with your consent or connivance or where you have not acted diligently.

14. DIRECTORS AND OFFICERS (D&O) LIABILITY INSURANCE:

Directors & Officers (D&O) Liability Insurance policy is an insurance cover to protect the individual directors and officers in respect of personal liabilities arising out of their wrongful acts, committed in the course of their official duty. These wrongful acts can be actual or alleged breach of duty, breach of trust, neglect, error, misstatement, misleading statement and omission.

Presently, Directors and Officers Liability Insurance coverage forms part of the policy, taken by Larsen & Toubro Limited, the Parent Company, which has a liability limit of USD 90,000,000 and extends worldwide covering its subsidiaries including the Company.

We have great pleasure in welcoming you on the Board and look forward to working closely with you.

Thanking You,

Yours faithfully,
For Larsen & Toubro Infotech Limited

A. M. Naik
Non-Executive Chairman
(DIN: 00001514)

ACCEPTANCE OF THE APPOINTMENT

I agree to the terms and conditions of my appointment as set out above in the letter of appointment.

NAME OF DIRECTOR
DIN