

Date: \_\_\_\_\_

**NAME OF THE DIRECTOR**  
**DIN**

**SUBJECT: LETTER OF APPOINTMENT AS AN 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'/'LTI') in their meeting held on \_\_\_\_\_, have approved your appointment as an Independent Director of the Company, with effect from \_\_\_\_\_.

This letter sets out the terms and conditions for your appointment as an Independent Director in terms of the requirements of Schedule IV of the Companies Act, 2013 ('the Act').

**1. TENURE OF APPOINTMENT:**

You will serve as an Independent Director of the Company for a term of five consecutive years commencing from \_\_\_\_\_ upto and including \_\_\_\_\_, not liable to retire by rotation.

Pursuant to the provisions of the Act, your appointment is subject to the approval of shareholders at the ensuing Annual General Meeting of the Company.

**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') and that you have registered under the Independent Directors databank, maintained by the Indian Institute of Corporate Affairs.

Re-appointment

On the conclusion of the first term of appointment of five consecutive years, you may be appointed for a second term of upto five consecutive years, subject to the approval of the Board of Directors on the basis of the performance evaluation report and upon recommendation of Nomination and Remuneration

Committee and approval of the shareholders by way of a special resolution, provided you continue to meet the independence criteria prescribed under the Act and SEBI LODR Regulations.

#### 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 MBP-1, annexed as **Annexure 1**.* Further, you need to ensure, that your membership in any Board complies with the maximum limit prescribed under the Act and SEBI LODR Regulations.

#### 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:** This Committee has an oversight role on the financial reporting process. The Committee quarterly reviews the financials of the Company and recommends it for approval of the Board. The Committee also reviews and recommends appointment of Auditors and Chief Financial Officer to the Board of Directors of the Company. Further, the Committee also scrutinizes the inter-corporate loans and investments, reviews the performance of statutory and internal auditors, adequacy of internal audit function, internal control systems, etc.
- b. **Nomination & Remuneration Committee:** This Committee is responsible for identifying person who are qualified to become Directors and who may be appointed in senior management, formulating policy on remuneration to Directors, key managerial personnel and criteria for evaluation of performance of Independent Directors & Board of Directors, etc.
- c. **Corporate Social Responsibility (CSR) Committee:** This Committee recommends to the Board the amount of expenditure to be incurred on CSR activities i.e. CSR budget and monitors implementation of CSR projects against the CSR budget approved by Board.
- d. **Stakeholders' Relationship Committee:** This Committee reviews the grievances of the security holders, reviews adherence to the service standards, measures and initiatives taken for reducing the quantum of unclaimed dividends & ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company, etc.
- e. **Risk Management Committee:** This Committee monitors the risk management plan formulated for the Company, lays down risk assessment procedures, reviews key strategic risks at domestic/international, macro-economic & sectoral level, significant operational risks, etc.

- f. **Strategic Investment Committee:** This Committee reviews and approves proposals for acquisitions and investments in terms of broad business objectives within the limits and parameters in principally approved by the Board, etc.

*For more details on the terms of reference and working plan of each of these Committees, kindly refer the LTI's **Directors Induction-cum-Familiarization Kit**, annexed as **Annexure 2**.*

**4. ABOUT THE COMPANY:**

LTI is a global technology consulting and digital solutions company helping more than 420 clients succeed in a converging world. With operations in 32 countries, we go the extra mile for our clients and accelerate their digital transformation with LTI's Mosaic platform enabling their mobile, social, analytics, IoT and cloud journeys. For more details

*A brief note providing information about the Company is provided in the LTI's **Directors Induction-cum-Familiarization Kit**, annexed as **Annexure 2**.*

**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. Other factors like industry practices, performance evaluation and performance of the Company will also be considered for determining the commission.

*For more details kindly refer the LTI's **Directors Induction-cum-Familiarization Kit**, annexed as **Annexure 2**.*

## **7. ROLES & FUNCTIONS:**

As an Independent Director, you will be expected to bring an independent judgment on the Board's deliberations, objective view in the Board performance evaluation, scrutinize the performance of management in meeting agreed goals, balance conflicting interest of stakeholders, ensure integrity of financial information and that financial controls and the systems of risk management are robust and flexible. *For more details kindly refer the LTI's Directors Induction-cum-Familiarization Kit, annexed as **Annexure 2**.*

## **8. RESPONSIBILITIES & DUTIES:**

As a Director, you will be expected to act in good faith, exercise independent judgment, avoid any undue personal gain or advantage and avoid direct or indirect conflict of interest.

As an Independent Directors you will also be responsible for:

- a) 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.
- b) 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;
- c) Ensuring adequate deliberations, before approving related party transactions and assuring yourself that the same are in the interests of the Company;
- d) 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.

*For more details kindly refer the LTI's Directors Induction-cum-Familiarization Kit, annexed as **Annexure 2**.*

## **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 & Senior Management' which envisages that the Board of Directors and the Senior Management must act within the bounds of authority conferred upon them in the best interest of the Company and act with highest standards of professional integrity, transparency and business ethics. Every Director is expected to abide by the Code of Conduct in complete letter and spirit and furnish an Annual Affirmation of the same. *A copy of the Code of Conduct is provided in the LTI's **Directors Induction-cum-Familiarization Kit**, annexed as **Annexure 2** and is also available on the Company's website <https://www.lintinfotech.com/investors/corporate-governance/>*

#### **11. DEALING IN SECURITIES OF THE COMPANY:**

The Company has in place a Larsen & Toubro Infotech Limited Securities Dealing Code ('LTI SDC') which encapsulates the restrictions, formats and rules of conduct to be followed by LTI directors, employees or other persons connected, and is intended to serve as a guiding charter for all persons associated with its functioning. 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 LTI SDC as well as with the concerned provisions of the insider trading laws and regulations. *A copy of LTI SDC is provided in the LTI's **Directors Induction-cum-Familiarization Kit**, annexed as **Annexure 2**.*

#### **12. LIABILITY OF NON-EXECUTIVE DIRECTORS & INDEPENDENT DIRECTORS:**

We would like to inform 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 with respect to the provisions of Companies Act, 2013. Further, you will also be held liable if you act in contravention to the duties prescribed under the Companies Act, 2013. Kindly refer the duties provided in (8) above.

**13. 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.

The Company has Directors and Officers Liability Insurance coverage, which has a liability limit of INR 720 Million and additional liability limit for each Non-Executive Director of INR 90 Million. *An extract of the D&O Policy is provided in the LTI's **Directors Induction-cum-Familiarization Kit**, annexed as **Annexure 2**.*

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**  
**Founder 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.

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**NAME OF DIRECTOR**

**DIN**