

**Terms and Conditions of Appointment as an
Independent Director of
Comviva Technologies Limited**

Date:

Mr./Ms. _____

DIN: _____

Address: _____

Dear Mr./Ms. _____

Sub: Appointment as an Independent Director of Comviva Technologies Limited

I am pleased to inform you of your appointment as an Additional and Independent Director on the Board of Directors (“**Board**”) of Comviva Technologies Limited (“**Company**”) with effect from _____, for a term up to conclusion of _____ Annual General Meeting of the Company, subject to approval of the Shareholders.

The Company has various Committees of the Board viz., Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee. The Board may appoint you as Chairperson or Member of one or more of the Committees.

The Board has also approved your appointment as the Member/Chairperson of the following Committee(s):

Name of the Committee of the Board	Category
Nomination and Remuneration Committee	
Audit Committee	
Corporate Social Responsibility Committee	

Additionally, you may be nominated to any of the other Committees of the Board, as may be required from time to time.

This appointment letter sets out the terms and conditions of your appointment as given below in compliance with the applicable provisions of the Companies Act 2013 and the Rules prescribed thereunder. (the “**Act**”)

- (1) As an Independent Director, you shall be governed by the provisions of the Act, the Articles of Association of the Company and the Code for Independent Directors as laid down in Schedule IV to the Act. For your ease of reference, the said code for Independent Directors along with duties of the directors have been enclosed as **Annexure I** of this letter.
- (2) You agree to observe, in letter and spirit, the duties, rights and role of independent directors as mentioned in Code for Independent Directors and strive to avoid the occurrence of any events regarding disqualifications and vacation of office as stipulated in the relevant provisions of the Act.
- (3) As a member of the Board, you are also required to comply with the Company’s

“Code of Business Conduct”. The said Code is enclosed to this letter.

- (4) As an independent director, you will not be liable to retire by rotation and your appointment is also subject to the maximum permissible directorships that one can hold as per the limits prescribed under the Act.
- (5) Your appointment by the Board as an additional director and independent director on the Board shall be subject to its regularization by the shareholders of the Company in next General Meeting.
- (6) You will not be an employee of the Company and this letter shall not constitute a contract of employment. You will be entitled to sitting fees as approved and revised by the Board from time to time, subject to the limits prescribed under the Act. The fees shall be linked to your attendance at Board and Committee meetings. You may claim reimbursement for all reasonable expenses in connection with your travel for attending the Board/Committee meetings. You are not eligible to participate in Stock Options schemes of the Company.
- (7) Your performance evaluation shall be done by the entire Board which will, inter alia, include your participation in the Board and Committee meetings during the year and other responsibilities undertaken and contributions to the deliberations of the Board and to the Company.
- (8) You will need to submit a declaration that you continue to meet the criteria of independence at the beginning of every financial year pursuant to relevant provisions of the Act.
- (9) You must strive to hold and attend at least one meeting of the independent directors in a year, without the presence of non- independent directors and member of the management team as the manner explained in the Annexure I enclosed with this letter.
- (10) You are liable for acts or omissions that have occurred with your knowledge, attributable through Board processes, and with your consent or connivance, or where you have not acted diligently.
- (11) You may note that Mahindra & Mahindra Ltd. has taken a group level director’s and officer’s liability insurance, and all the directors of the Company are beneficiaries of the said policy.
- (12) Upon the expiry of your present term, and subject to your eligibility under the relevant provisions of the Act as prevailing from time to time and annual performance evaluation and you continuing to meet the independence criteria., the Board may, at its discretion, recommend to the shareholders a renewal of your existing term for such period as it may deem fit and proper, in the interest of the Company.
- (13) All information acquired during your appointment is confidential to the Company and you are requested not to release any non-public information, either during your appointment or following separation (by whatever means), to third parties without

prior clearance of the Chairperson. However, a copy of this letter or, key terms thereof, if required to be publicly disclosed, will not be considered as confidential.

- (14) This letter constitutes the entire terms and conditions of your appointment, and no waiver or modification thereof shall be valid unless it is in writing and signed by the parties hereto.

Kindly return the duly signed copy of this letter of appointment in token of acknowledgement.

I am confident that the Board will benefit significantly from your participation in its deliberations. I am sure that with your guidance and support, the Company will be able to accomplish its goals and objectives.

With regards,

**For and on the behalf of
Comviva Technologies Limited**

Chairman

Enclosure:

- a) Note on Directors' duties and obligations to the Board including Code of Conduct for Independent Directors.
- b) Code of Business Conduct

I have read and agree to the above terms regarding my appointment as an independent director of the Company.

Name of Director _____
Date: - _____

Note on Directors' duties and obligations to the Board including Code of Conduct for Independent Directors

Section 166 and 149(8) of the Act read with Schedule IV to the Act explicitly articulated duties, obligations and code of conduct which prescribes the professional conduct, roles and functions and duties of independent directors.

1. Duties of Directors in general- Section 166

This section lists down the duties of directors as follows-

- (1) shall act in accordance with the Articles of the Company.
- (2) 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 interests of the company, its employees, the shareholders, and the community and for the protection of environment.
- (3) Shall exercise his or her duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
- (4) Shall not involve in a situation in which he or she may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
- (5) Shall not achieve or attempt to achieve any undue gain or advantage either to himself/herself or to his/her relatives, partners, or associates and if such director is found guilty of making any undue gain, he or she shall be liable to pay an amount equal to that gain to the company.
- (6) Shall not assign his or her office and any assignment so made shall be void.

2. Code of conduct for independent directors- Schedule IV

I. Guidelines of professional conduct:

An independent director shall:

- (1) uphold ethical standards of integrity and probity.
- (2) act objectively and constructively while exercising his or her duties.
- (3) exercise his or her responsibilities in a bona fide manner in the interest of the company.
- (4) devote sufficient time and attention to his or her professional obligations for informed and balanced decision making.
- (5) not allow any extraneous considerations that will vitiate her 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.

- (6) not abuse her 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.
- (7) refrain from any action that would lead to loss of his or her independence.
- (8) where circumstances arise which make an independent director lose his or her independence, the independent director must immediately inform the Board accordingly.
- (9) assist the company in implementing the best corporate governance practices.

II. Role and functions:

The independent directors shall:

- (1) 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.
- (2) bring an objective view in the evaluation of the performance of board and management.
- (3) scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance.
- (4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible.
- (5) safeguard the interests of all stakeholders, particularly the minority shareholders.
- (6) balance the conflicting interest of the stakeholders.
- (7) determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel, and senior management.
- (8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

III. Duties:

The independent directors shall-

- (1) undertake appropriate induction and regularly update and refresh their skills, knowledge, and familiarity with the company.
- (2) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company.
- (3) strive to attend all meetings of the Board of Directors and of the Board committees of which he or she is a member.
- (4) participate constructively and actively in the committees of the Board in which they are chairpersons or members.
- (5) strive to attend the general meetings of the company.
- (6) where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting.
- (7) keep themselves well informed about the company and the external environment in which it operates.
- (8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board.
- (9) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company.
- (10) ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use.
- (11) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy.
- (12) act within their authority, assist in protecting the legitimate interests of the company, shareholders, and its employees.
- (13) not disclose 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.

IV. Manner of appointment:

- (1) Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience, and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.
- (2) The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.
- (3) The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfils the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.
- (4) The appointment of independent directors shall be formalized through a letter of appointment, which shall set out:
 - (a) the term of appointment.
 - (b) the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks.
 - (c) the fiduciary duties that come with such an appointment along with accompanying liabilities.
 - (d) provision for Directors and Officers (D and O) insurance, if any.
 - (e) the Code of Business Conduct that the company expects its directors and employees to follow.
 - (f) the list of actions that a director should not do while functioning as such in the company; and
 - (g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.
- (5) The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the company by any member during normal business hours.
- (6) The terms and conditions of appointment of independent directors shall also be posted on the company's website.

V. Re-appointment:

The re-appointment of independent director shall be on the basis of report of

performance evaluation.

VI. Resignation or removal:

- (1) The resignation or removal of an independent director shall be in the same manner as is provided in sections 168 and 169 of the Act.
- (2) An independent director who resigns or is removed from the Board of the company shall be replaced by a new independent director within a period of not more than one hundred and eighty days from the date of such resignation or removal, as the case may be.
- (3) Where the company fulfils the requirement of independent directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

VII. Separate meetings:

- (1) The independent directors of the company shall hold at least one meeting in a financial year, without the attendance of non-independent directors and members of management.
- (2) All the independent directors of the company shall strive to be present at such meeting.
- (3) The meeting shall:
 - (a) review the performance of non-independent directors and the Board as a whole.
 - (b) review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors.
 - (c) assess the quality, quantity, and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

VIII. Evaluation mechanism:

- (1) The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.
- (2) On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.