

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

NAME OF THE DIRECTOR

ADDRESS

**SUBJECT: LETTER OF APPOINTMENT/RE-APPOINTMENT AS INDEPENDENT DIRECTOR**

We thank you for your confirmation to SMS Infrastructure Limited (the “Company”) that you meet the “independence” criteria as envisaged in Section 149(6) of the Companies Act, 2013 (“2013 Act”) and also for your consenting to hold office as a director of the Company.

Pursuant to your confirmation, we are pleased to confirm that, the Board have approved your appointment as an Independent Director on the Board of the Company, subject to the approval of shareholders in General Meeting.

This letter sets out the terms of your appointment as an Independent Director. Your relationship with the Company will be that of an office-holder and not one of contract for employment in the Company.

The terms of your appointment, as set out in this letter, are subject to the provisions of the including Companies Act, 2013 read with Companies (Appointment & Qualification of Directors) Rules, 2014 and Schedule IV of the Companies Act, 2013 and other applicable laws which interalia includes:

**1. Appointment:**

Your appointment will be for an initial term up to Five years and shall take effect from \_\_\_\_\_ unless terminated earlier or extended, as per the provisions of this letter or applicable laws (“Term”).

As an Independent Director you will not be liable to retire by rotation.

Reappointment at the end of the Term shall be based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Board and the shareholders. Your reappointment would be considered by the Board based on the outcome of the performance evaluation process and you continuing to meet the independence criteria.

The Company has the following Committees:-

1. Audit Committee
2. Share Transfer Committee
3. Corporate Social Responsibility Committee
4. Risk Management Committee.
5. Nomination Remuneration Committee

You may be requested to be a Member/Chairman of any one or more Committees/Sub-committees of the Board may reconstitute the composition of any/all Committees, from time to time, and any such change shall be promptly communicated to you. In such an event you may also be required to serve on other Committees of the Board.

## **2. Professional Conduct:**

As an Independent Director, you shall inter alia:

- 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 may 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 could lead to a loss of your independence;
- h) ensure that if circumstances arise under which you may lose your independence, you will immediately inform the Board accordingly;
- i) assist the Company in implementing the best corporate governance practices.

### **3. Duties:**

- A. As an Independent Director, you shall inter alia :
- a) undertake the appropriate induction into the Board and regularly update and refresh your skills, knowledge and familiarity with the Company;
  - b) strive to attend every meeting of the Board and of the Board committees of which you are a member;
  - c) actively and constructively participate in the Board committees of the Board in which you may be a member;
  - d) ensure that any concerns that you may have about the running of the Company are addressed by the Board and seek inclusion of these concerns in the Board minutes to the extent these concerns are not resolved;
  - e) keep yourself well informed about the Company and the external environment in which it operates;
  - f) not unfairly obstruct the functioning of an otherwise proper Board or committee;
  - g) ensure that related party transactions are considered carefully before they are approved and are in the interest of the Company;
  - h) ensure that the whistleblower function of the Company is functioning adequately;
  - i) report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics;
  - j) within your authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
  - k) not disclose any confidential information unless such disclosure is expressly approved by the Board or required by law.

### **4. Role, Liabilities & Responsibilities:**

You are expected to provide your expertise in the functioning of the Board and the committees of the Board in which you have been nominated.

The liabilities that came with your appointment would be as per the applicable laws, SMS Infrastructure Limited Policies. The law that currently govern the duties and liabilities of an Independent Director is the Companies Act, 2013 (including Rules thereunder). You shall 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 (including Section 166). You are required to make disclosure of your interest as per the requirements of Section 184 of the Companies Act, 2013.

As an Independent Director, you shall have the same general legal responsibilities to the Company as that of any other director. The Board, as a whole, is collectively responsible for ensuring the success of the Company by directing and supervising the Company's affairs.

As an independent director you will be liable only in respect of such acts of omission or commission by a company which had occurred with your knowledge, attributable through Board processes, and with your consent or connivance or where you had not acted diligently.

**5. Time Commitment:**

Considering the nature of the role of a director, it is difficult for a company to lay down specific parameters on time commitment. You agree to devote such time as is prudent and necessary for the proper performance of your role, duties and responsibilities as an Independent Director.

**6. Fees:**

You shall be paid a sitting fee of ₹ 1,00,000/- for attending the each meeting of Board, either personally or through Video Conference or other audio visual means or for any other purpose whatsoever as may be decided by the Board of Directors from time to time. The fee payable shall be subject to applicable tax deduction at source.

You shall not be paid any sitting fees for attending meeting of any of Committee thereof

The Company shall reimburse you all traveling, hotel, and other incidental expenses properly and reasonably incurred by you in performance of duties as per provisions of the Companies Act, 2013 in conjunction with the Company rules and policies.

**7. Conflict of Interest:**

It is accepted and acknowledged that you may have business interests other than those of the Company. As a condition precedent to commencement of the appointment, you are required to declare to the Company any such directorships, appointments and interests to the Board. Thereafter, you are required to declare to the Company whenever there is any change in the circumstances which may affect your status as an Independent Director.

By accepting this appointment you will be deemed to have confirmed that any other position you hold including your directorships in other organizations, shall not give rise to any conflicts of interest in relation to your appointment as an Independent Director of the Company. Should you become aware of any conflict or potential conflict during your appointment, you are expected to notify the Company Secretary.

**8. Termination:**

You may resign from your position at any time by serving a reasonable written notice on the Board stating out the reason for resignation. Further, your appointment as Independent Director may be terminated in accordance with applicable law.

**9. Confidentiality:**

Under Company law, Directors have a right of access to Company's documents and records, including financial records. Any confidential information which may come to your knowledge in the performance of your duties as a director of the Company must not be divulged, except so far as:

- a) may be necessary in connection with the proper performance of your duties to the Company;
- b) the Company may from time to time authorise you to disclose such information as may be required by you with the condition that you will take all reasonable precautions as may be necessary to maintain the secrecy and confidentiality of all confidential information of the Company; or
- c) You may be required by law to disclose.

**10. General:**

All the terms as mentioned above including your appointment, remuneration, professional conduct, role and functions, duties and evaluation shall be governed by the Companies Act, 2013 and Rules made thereunder, as amended from time to time. This Letter and any non-contractual obligations arising out of or in connection with this Letter are governed by, and shall be construed in accordance with the laws of India and subject to the exclusive jurisdiction of the Courts of India.

**11. Miscellaneous:**

a) This letter represents the entire understanding, and constitutes the whole agreement, in relation to your appointment and supersedes any previous agreement between yourself and the Company with respect thereto and, without prejudice to the generality of the foregoing, excludes any warranty, condition or other undertaking implied at law or by custom.

b) No waiver or modification of this letter shall be valid unless made in writing and signed by you and the Company.

**12. Acceptance of Appointment :**

We are confident that the Board and the Company will benefit immensely from your rich experience and we are eager to continue you as an integral part of the growth of our Company. If these terms of appointment are acceptable to you, please confirm your acceptance by signing and returning the enclosed copy of this letter

We thank you for your continued support and commitment to the Company.

Yours sincerely  
SMS Infrastructure Limited

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