

1. Appointment

- In accordance with the provisions of the Act read with Schedule IV and Rules made thereunder, your appointment as Non-Executive Independent Director of the Company shall be for a term of 5 (five) consecutive years with effect from receipt of the board meeting. You shall not be liable to retire by rotation. This is subject to the approval of members of the Company, in the General Meeting.
- Your appointment shall be subject to the maximum permissible Directorships that you can hold as per the provisions of the Act and fit and proper criteria required by the Company.
- The Company has adopted provisions with respect to appointment and tenure of Independent Directors, which are consistent with the Act, as may be amended from time to time. Accordingly, you can serve for not more than two consecutive terms of maximum five (5) years each on the Board of the Company.
- Re-appointment for the second term shall be subject to approval of the Board and the Members of the Company.

2. Committees

- The Board may, if it deems fit, invite you to be appointed on one or more committee(s) constituted by the Board. In case you are appointed to any of the committee(s), you will be provided with the charter of such committee(s), which sets out the role and responsibilities of the relevant committee.
- Currently, the Board has four committees: Audit Committee (AC), Nomination and Remuneration Committee (NRC), Risk Management Committee (RMC), Corporate Social Responsibility (CSR) Committee,

3. Time Commitment

- The Board and its Committees meet four to six times in a year, as per the requirements of the Act. You will be expected to attend the Board meetings, meetings of the Board committee(s) to which you may be appointed, and shareholders' meetings, and to devote such time as may be required for you to discharge your duties effectively. The Board/ committee meetings are held, either in person or virtually, as may be decided by the Board / committees.

4. Familiarization programme at the time of induction

- An orientation program shall be organized by the Company to help you familiarize yourself with the business and operations of the Company, its strategy, organization structure, policies, technology, compliance & risk management, etc.

5. Functions, Role and Duties

- You are expected to bring objectivity and independence of view to the Board's discussions and to assist the Board in providing effective leadership in relation to the Company's strategy, performance, and risk management as well as ensuring high standards of financial probity and corporate governance.

- As an Independent director, you will have certain functions, roles and duties, applicable to all Directors, which are fiduciary in nature and as mentioned in Annexure-I hereto and in the Code of Independent Directors as prescribed under the Schedule IV of the Act and any other code as may be applicable.

6. Status of Appointment and Remuneration

- You will not be an employee of the Company and this letter does not constitute (nor shall be deemed to constitute) a contract of employment. You will be paid an annual remuneration including sitting fees as approved by the Board of Directors and members of the Company.
- The annual remuneration shall be subject to change as may be approved by the Board and members of the Company and/or in accordance with the limits prescribed under the Act.

7. Reimbursement of Expenses

- In addition to the above-stated remuneration, you will be eligible for reimbursement of travel expenses, accommodation, and other incidental expenses incurred by you for the purpose of attending the meetings of the Board and/or its Committees. You will also be reimbursed for reasonable expenses related to professional or technical services used in discharging your duties as an Independent Director.

8. Conflict of Interest/ disclosure of interest

- It is accepted and acknowledged that you may have business interests other than those of the Company. You are required to declare any such directorships and other interests to the Board in writing in the prescribed form at the time of your appointment and also update any subsequent changes in your interests in a timely manner.

9. Confidentiality

- You agree to apply the highest standard of confidentiality and to not disclose to any person or company / entity (whether during the course of appointment as an Independent Director or following cessation of the same) any confidential information concerning or belonging to the Company, which you may access or acquire in the course of your role as Independent Director.
- You shall not disclose or release any confidential information, which you may acquire or come across during your appointment / tenure, to any third party(ies), either during your tenure or following cessation thereof (by whatever means) without prior written clearance from the Managing Director & CEO, until and unless the same is required by law or by any regulatory authority (in which case you will inform the Managing Director & CEO at the earliest unless prohibited from doing so). On reasonable request, you shall surrender any documents and other materials made available to you by the Company.

10. Evaluation

- The Company will carry out an evaluation of the performance of the Board as a whole, of the Board Committees and of the individual Directors on an annual basis as per the requirements of the Act. You shall participate in the evaluation process as per the above requirement.

11. Insurance

- The Company has Directors’ and Officers’ liability insurance (to a limited extent) and it is intended that the Company will assume and maintain such cover for the full term of your appointment.

12. Dealing in shares of the Company

- You shall abide by the Code of Conduct to regulate, monitor and report trading by designated persons and their immediate relatives of the Holding Company i.e. One 97 Communications Limited (OCL) which is available on OCL’s website at <https://ir.paytm.com/policies-and-guidelines>.

13. Termination

- You may resign from your position at any time, and should you wish to do so, you are requested to serve a reasonable written notice on the Board.
- Your appointment may also be terminated in accordance with the provisions of the Act

14. Governing Law

- This letter is governed by and will be interpreted in accordance with Indian law and your engagement shall be subject to the jurisdiction of courts in Delhi.
- If you are willing to accept these terms of your appointment as an Independent Director of the Company, kindly confirm your acceptance of these terms by signing and returning to us the enclosed copy of this letter.

Yours sincerely, For and on behalf of Paytm Payments Services Limited	I hereby acknowledge receipt of and accept the terms set out in this letter.
Signature:..... (Managing Director & CEO) Date: [●]	Signature:..... (Independent Director) Date: [●]

Annexure - I

Functions:

- a. To review the Company's strategy, the annual financial plan and monitor the Company's performance;
- b. To review management performance and compensation;
- c. To advise and counsel, the Management;
- d. To monitor and manage potential conflicts of interests of the Management;
- e. To oversee and ensure the integrity of financial information and legal compliance;
- f. To review the performance of non-independent directors and the board of directors as a whole;
- g. To assess the quality, quantity, and timeliness of flow of information between the management of the Company and the board of directors that is necessary for the board of directors to effectively and reasonably perform their duties.

Roles and Duties:

As an Independent Director, you shall *inter-alia*:

- undertake the appropriate induction into the Board and regularly update and refresh your skills, knowledge and familiarity with the Company;
- enroll yourself into an online data bank and pass an online self-assessment proficiency test conducted by the Indian Institute of Corporate Affairs, within stipulated timelines, as may be applicable;
- strive to attend every meeting of the Board and of the Board committees of which you are a member/ Chairperson and in the general meeting of the Company;
- actively and constructively participate in the Board committees of the Board in which you may be a member or the Chairperson;
- act in accordance with the Company's Articles of Association while discharging his/her duties, comply with the requirements of Section 166 and Schedule IV to the Act.
- abide by all the policies / codes that are applicable to Non-Executive Independent Directors of the Company.
- ensure that related party transactions are considered carefully before they are approved and are in the interest of the Company;
- ensure that the whistleblower function of the Company is functioning adequately;
- report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct;
- not disclose any confidential information unless such disclosure is expressly approved by the Board or required by law.
- 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 interest of the Company, its employees, the shareholders, the community and for the protection of environment.
- discharge your duties with due and reasonable care, skill and diligence.
- not involve yourself in a situation in which you may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.
- not assign your office as Director and any assignments so made shall be void.