

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

[Pursuant to the provisions of Schedule IV to the Companies Act, 2013 and Clause 49 (II) (B) (4) of the Equity Listing Agreement]

The broad terms and conditions of appointment of Independent Directors is reproduced hereunder:

1 Appointment

In accordance with the provisions of the Companies Act, 2013 and other applicable laws, the Independent Director will serve till [.]

2 Board Committees

2.1 As advised by the Board of Directors ('Board'), during the tenure of office, the Independent Director may be required to serve on one or more Committees of the Board established by the Company. Upon his/ her appointment to any or more Committees, the Company will provide the Independent Director appropriate Committee charter, which sets out the functions of that Committee.

2.2 Currently, the Board has four (4) committees viz. Finance and Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholder Relationship Committee. The Board is responsible for constituting, assigning, co-opting and fixing terms of service of committee members. The chairperson of the Board, in consultation with the Company Secretary and the Committee chairperson, determines the frequency and duration of the Committee meetings. Normally, the Committees meet four (4) times a year.

2.3 The Independent Director have to be nominated and appointed to serve on the following committees:

- i.** Finance and Audit Committee: The Finance and Audit Committee oversees the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible; reviews with the management, external and internal auditors, the adequacy of internal control systems; reviews the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reports the matter to the Board so as to ensure integrity of the financial condition of the Company and accurate and timely disclosures.
- ii.** Nomination and Remuneration Committee: The Nomination and Remuneration Committee identifies persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommends to the Board their appointment & removal and carries out evaluation of every director's performance, formulates the criteria for determining qualifications, positive attributes and independence of a director, recommends to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- iii.** Corporate Social Responsibility Committee: The Corporate Social Responsibility Committee provides recommendation on the formulation of the CSR policy for the Company, recommends the amount of expenditure to be incurred on the activities,

approves activities/programs to be undertaken as CSR activities by the Company, institutes a transparent monitoring mechanism for implementation of CSR projects/ program/ activities and monitoring the CSR policy of the Company.

- iv. Stakeholder Relationship Committee: The Stakeholder Relationship Committee reviews and advises the Company on any grievance in relation to non-transfer of shares, non-receipt of Annual Report, non-receipt of dividend/ interest warrants or any other investors grievance raised by any stakeholder.

3 Professional Conduct

The Independent Director will strive to perform his/ her duties according to the highest standards of honesty, integrity, accountability, confidentiality and independence.

The Independent Director shall assume following duties and responsibilities:

- i. Duty of care and skill in the discharge of functions as a Director;
- ii. Duty not to be negligent and not to commit or let others commit tortuous act;
- iii. Duty not to exceed delegated powers entrusted by the Board or any Law applicable to the Company.
- iv. Duty to act in the best interests of the Stakeholders and Customers.

4 Functions, Responsibilities and Duties of Directors

4.1 Functions

- i. To review the Company's strategy, the annual financial plan and monitor the Company's performance:

The primary role of the Directors on the Board is to exercise their business judgement to act in what they believe to be the best interests of the Company and its shareholders. It is the duty of the Board to ensure that the Management performs with competence and values to achieve the objectives of the Company. Generally, the Board meets once a quarter. The quarterly meeting of the Board includes updates on business, financial and business-enabler functions and discussions on such updates. The Finance and Audit Committee of the Board reviews the Company's financials and recommends the same to the Board for its acceptance. The Board monitors the Company's performance against its annual financial plan at its quarterly meetings as well as at the end of the Financial Year.

- ii. To review management performance and compensation and to decide on succession planning:

The Nomination and Remuneration Committee of the Board evaluates the performance of the executive officers of the Company and recommends their compensation for the ensuing year to the Board. The Committee works with the Board to develop an orderly plan for the succession of Leadership of the Board and the executive officers of the Company.

- iii. To advice and counsel the Management:

The Board should be composed of individuals whose knowledge, background, experience and judgement are valuable to the Company. They should also be capable of providing advice to the executive officers of the Company. Members of the Board have full access to the Management (executive officers) and other

employees as well as to the Company's records and documents. The Board may also seek legal or other expert advice from a source independent of the Management.

- iv. To monitor and manage potential conflicts of interest of the Management:

The Finance and Audit Committee of the Board reviews and approves related party transactions, as required under the applicable laws and/ or Rules of the Stock Exchanges where the securities of the Company are listed or any government agencies applicable to the Company.

- v. To oversee and ensure the integrity of financial information and legal compliance:

The Finance and Audit Committee of the Board oversees the Company's accounting and financial reporting processes and the audit of the Company's financial statements and assists the Board in overseeing of (1) The Integrity of the Company's financial statement, (2) the Company's compliance with legal and regulatory requirements, (3) the independent auditor's qualification, independence and performance, and (4) the Company's internal accounting and financial controls.

4.2 Responsibilities

- i. The Independent Director has the same general responsibilities to the Company as any other Director.
- ii. The Independent Director shall provide Entrepreneurial Leadership, so that risks are assessed and managed well.
- iii. The Independent Director shall, along with the Board, set the Company's Strategic aims, and ensure that the necessary financial and human resources of the Company are in place.
- iv. The Independent Director shall set the Company's Values and standards and ensure that maximum wealth is generated for the stakeholders of the Company.
- v. In addition to these roles of a Director, the role of an Independent Director shall have the following key elements:
 - a. Strategy: Independent Director should constructively challenge and contribute to the development of the Strategy.
 - b. Performance: Independent Director should scrutinize the performance of the members of the Board and monitor the same.
 - c. Risk: Independent Director should analyse and manage the risks to the extent of their satisfaction regarding the same, and take such precaution as any man of prudence would.
 - d. People: The Asset of the Company shall be analysed and their needs should be fulfilled. It is essential for the Independent Director to look into such grievances and contribute towards solving the same.
 - e. Stakeholders: Independent Directors are to balance the conflicting interest of the stakeholders, including minority stakeholders. In the event of any conflict, they shall moderate and arbitrate in the interest of the Company.

4.3 Duties

The Independent Director is requested to at all times:

- i. 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;
- ii. strive to attend all meetings of the Board of Directors and of the Board committees of which the Independent Director is a member;

- iii. participate constructively and actively in the committees of the Board in which the Independent Director is chairpersons or members;
- iv. strive to attend the general meetings of the Company;
- v. where the Independent Director has 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;
- vi. keep himself/ herself well informed about the company and the external environment in which it operates;
- vii. not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- viii. 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;
- ix. 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;
- x. report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
- xi. act within the authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- xii. 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.

5 Fees

- 5.1** The Compensation of independent directors is approved at a meeting of the Board. The total compensation payable to the entire group of independent directors is limited to a fixed amount per year determined by the Board. This amount shall not exceed 1% of the net profit of the Company for the year calculated as per the provisions of the Companies Act, 2013.
- 5.2** In addition to the sitting Fees, independent directors would be entitled to the reimbursement of only the following items of expenditure that may be incurred in travelling to the place of the Board meetings and other committee meetings of the Company and back to their normal place of residence:
- i. Business Class (for Domestic travel) airfare from the normal place of residence to the place of Board or Committee meetings and back to their normal place of residence.
 - ii. Accommodation at any hotel as determined by the Company for the duration of the Board and Committee meetings, and during the day prior to and after such meetings.
 - iii. Out-of-pocket expenses, like food and incidentals that are incurred during the days of the Board and Committee Meetings.

6 D & O Insurance

The Company has Directors' and Officers' Liability Insurance and it is intended to maintain such cover for the full term of appointment.

7 Term

Subject to applicable law, independent directors are eligible to serve for a period of up to five years (or up to age of retirement whichever is earlier).

8 Information on Meetings

8.1 Scheduling and Selection of Agenda items for Board Meeting:

Dates for the Board Meeting are decided in advance and communicated to the Directors as and when scheduled. Generally, the Board Meetings are held at Pune or Mumbai, Maharashtra, India. The Chairman of the Board and the Company Secretary, in consultation with the Business Heads, Chief Operating Officer (COO) and Chief Financial Officer (CFO), draft the Agenda for each Meeting, along with the explanatory notes, and distribute it in advance to the Board members. Additional meetings are held, based on need. Independent directors are expected to attend at least four Board Meetings in a year.

8.2 Availability of information to the Board:

The Board has full and unfettered access to any information of the Company, and to any employee of the Company. At Board meetings, the Board invites managers of the Company when additional details into the items being discussed are required.

8.3 Separate meetings:

It is expected that the Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management. All the independent directors of the Company shall strive to be present at such meeting.

The meeting shall:

- i. review the performance of non-independent directors and the Board as a whole;
- ii. review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- iii. 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.

9 Mechanism for evaluating Board Members

The chairperson of the Nomination and Remuneration Committee would conduct an annual Board evaluation and a peer evaluation survey to assess the performance of the Board as a whole and that of individual Board members. Performance is assessed based on clearly defined objective criteria. This is in line with the Company's policy of being data-oriented in every transaction and decision. Performance is measured against commitments and best-in class benchmarks.

10 Dealing in Shares and Code of Conduct

Please note that no Director shall deal in any security of the Company except in accordance with the Insider Trading Code of the Company and the relevant Rules and Regulations as may be applicable to the Company from time to time. Any acquisition/ disposal of securities of the Company by any Director shall be informed to the Company within four (4) working days of acquisition/ disposal of securities.