

Terms and conditions of Appointment of Independent Directors

1. Appointment

1.1 In accordance with the provisions of the Companies Act, 2013 (**‘Act’**), the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “SEBI Regulations”), the following Independent Directors are appointed on the Board of the Company to hold office for five consecutive years with effect from 20th September, 2014. Independent Directors are not an employee of the Company.

Sr.No.	Name of Independent Director
1	Mr.Sanjay K.Asher
2	Mr.Kanaiyalal N.Atmaramani
3	Mr.Dara N.Damania
4	Mr.Shrikrishna N.Inamdar
5	Mr.Prabhakar D.Karandikar
6	Dr. Sunil U.Pathak

1.2 The term of appointment of Independent Directors in terms of the provisions contained in the Act and the SEBI Regulations. The appointment of Independent Directors is also subject to the maximum permissible directorships that a director can hold as per the provisions of the Act and the SEBI Regulations.

1.3 In compliance with the provisions of sub-section (13) of section 149 of the Act, Independent Directors are not subject to retirement by rotation.

1.4 Notwithstanding other provisions of this letter, the Company reserves the right to terminate appointment of an Independent Director prior to completion of the said term in accordance with the provisions of the Articles of Association of the Company or on failure to meet the parameters of independence as defined in sub-section (6) of section 149 or on the occurrence of any event as defined in Section 167 of the Act.

1.5 Upon termination of appointment or upon resignation for any reason, duly intimated to the Company, Independent Directors shall not be entitled to any compensation for loss of office.

2. Committees of the Board

During the term of appointment, Independent Directors may be required to serve on one or more existing Committees of the Board of the Company. Independent Directors shall be expected to act in accordance with the terms of reference of the Committee constituted pursuant to the provisions of the Act and the SEBI Regulations, if any. The Board has constituted Audit Committee, Corporate Social Responsibility (CSR) Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Share Transfer Committee, Finance Committee and Risk Management Committee.

3. Time Commitment

3.1 Independent Directors are expected to bring objectivity and independence of view to the Board's discussions and to help provide the Board with 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. The Board meets at least four times in a year. The Audit Committee also meets at least four times in a year. Besides, there are other committee meetings like Corporate Social Responsibility (CSR) Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Share Transfer Committee, Finance Committee and Risk Management Committee which are ordinarily convened as and when required. Independent Directors shall be expected to attend Board meetings, meetings of the Board Committees to which they may be appointed and general meetings and to devote such time to duties, as appropriate for to discharge duties effectively.

3.2 By accepting the appointment, Independent Directors confirm that they are able to devote sufficient time and attention as is prudent and necessary for meeting the expectations of their role, duties and responsibilities as an Independent Directors to the satisfaction of the Board.

4. Role and Duties

The role and duties of the Independent Directors shall be those normally required of an Independent Director under Schedule IV of the Act and the SEBI Regulations. The fiduciary duties incidental to the appointment as an Independent Directors of the Company are:

- (1) act in accordance with the Articles of Association of the Company;
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- (2) act in good faith in order to promote the objects of the Company for the benefit of its shareholders as a whole, and in the best interests of the Company;
- (3) 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;
- (4) bring an objective view in the evaluation of the performance of Board and management;
- (5) scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- (6) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- (7) safeguard the interests of all stakeholders, particularly the minority shareholders;
- (8) balance the conflicting interest of the stakeholders;
- (9) 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;
- (10) moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest;
- (11) accurately report on the performance and financial position of the Company; and
- (12) ensure compliance with the applicable legislation and regulations under review and the conformity of the practices of the Company to accepted norms.

The duties enlisted hereinabove shall be discharged with due and reasonable care, skill and diligence.

5. Limitation on discharge of duties

The discharge of duties as an Independent Directors shall not extend to:

- (1) involving themselves in situations involving a conflict of interest, whether direct or indirect, vis-à-vis the Company;
- (2) achieving or attempting to achieve any undue gain or advantage either to themselves or to their relatives, partners or associates; and

- (3) assigning their office as a director and any assignments so made shall be void.

6. Conflict of interest

- 6.1 It is accepted and acknowledged that Independent Directors may have business interests other than those of the Company. As a condition their impending appointment, they are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form as when required.
- 6.2 In the event that circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead the Board to revise its judgment that they are independent, this should be disclosed to both the Chairman and the Secretary.

7. Compensation Structure

- 7.1 Independent Directors shall be paid such remuneration by way of sitting fees for meetings of the Board and its Committees as may be decided by the Board and approved by the shareholders from time to time. Further, they shall also be paid remuneration by way of commission as may be approved by the Board and the shareholders from time to time.
- 7.2 The sitting fees payable for attending meeting of the Board would be Rs. 40,000/- per meeting. Further, the sitting fee payable for attending meeting of the Committee would be Rs. 20,000/- per meeting, subject to TDS as applicable rate. The revision of the sitting fees, if any, will be approved by the Board as and when considered necessary.
- 7.3 They shall not be entitled to participate in any employee stock option scheme operated by the Company or any group company and shall not be entitled to avail of any bonus during their term of appointment.

8. Commission

Independent Directors shall be entitled for the remuneration not exceeding one percent per annum of the net profits of the Company computed in accordance with the provisions of the Companies Act, 2013 by way of commission which will be distributed amongst all or some of the independent directors as approved by the Board of Directors from

time to time and subject to any other applicable requirements under the Companies Act, 2013 and they shall receive a sum not exceeding Rs. 10,00,000/- (Rupees ten lakhs only) in a financial year.

9. Reimbursement of Expenses

The Company will reimburse Independent Directors for the following items of expenditure incurred by them as incidental to the performance of their duties, namely:

- (1) Travel expenses;
- (2) Hotel accommodation expenses; and
- (3) Out-of-pocket expenses.

10. Confidentiality

10.1 All information acquired during their appointment is confidential to the Company and should not be released, either during their appointment or following termination (by whatever means) to third parties without prior clearance from the Chairman unless required by law or by the rules of any stock exchange or regulatory body. On reasonable request, they shall surrender any documents and other materials made available to them by the Company.

10.2 Their attention is also drawn to the requirements under the applicable regulations and the Company's Insider Trading Code which concern the disclosure of price sensitive information and dealing in the securities of the Company. Consequently, they should avoid making any statements or performing any transactions that might result in a breach of these requirements without prior clearance from the Chairman or the Secretary.

11. Induction

Independent Directors may be invited to attend ongoing training and familiarization sessions, including briefings from management and site visits of the Company. They are requested to avail of these opportunities as fully as is appropriate to their personal circumstances.

12. Evaluation

The Board will carry out an evaluation of their performance as per policy of the Company. The Company will carry out an evaluation of the

performance of the Board as a whole, Board Committees and Directors on an annual basis.

13. Insurance

The Company has Directors' and Officers' liability insurance and it is intended that the Company will assume and maintain such cover during the full term of their appointment as Independent Director of the Company.

14. Disclosure of interest

Any material interest acquired by Independent Directors in a contract or arrangement entered into by them with the Company shall be disclosed at the meeting of the Board in which such contract or arrangement is discussed in order that the minutes and the Annual Accounts record an appropriate mention of such disclosure of interest. A general notice that Independent Directors are interested in any contracts with a particular person, firm or company is acceptable.

15. Code of Conduct

The codes of conduct of the Company which necessitate compliance by the Independent Directors are:

- (1) Code of Conduct for Board and Senior Management;
- (2) Code of Conduct and Ethics of the Company;
- (3) Code of Internal Procedures and Conduct for prevention of Insider Trading in securities of the Company;

and such other requirements as the Board may, from time to time, specify.

16. Resignation or termination

Independent Directors may resign from their position at any time before the end of their term of office by giving a notice in writing to the Board.

Continuation of their appointment is contingent on their getting re-elected by the shareholders in accordance with provisions of Act and the Articles of Association of the Company, from time to time in force. Independent Directors shall not be entitled to compensation if the shareholders do not re-elect them at any time or otherwise as a director.

Their appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company from time to time in force.

17. Governing Law

Their respective letter of appointment and any non-contractual obligations arising out of or in connection with the same are governed by, and shall be construed in accordance with, the laws of India, and the parties agree to submit to the exclusive jurisdiction of the courts of Pune / Mumbai.

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