

TERMS AND CONDITIONS OF APPOINTMENT OF NON EXECUTIVE DIRECTOR

The terms and conditions of appointment of the Non-Executive Director ("NED") is subject to the extant provisions of the applicable laws, including the Companies Act, 2013 and Listing (Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

The broad terms and conditions of their appointment as Non-Executive Director of the Company are as under:

I. Appointment

- a) In compliance with the provision of section 152(6) of the Companies Act, 2013, the appointment of directorship is subject to retirement by rotation except in case where Non-Executive Director is holding position of Chairperson.
- b) The NED may be requested to be a member / Chairman of any one or more Committees of the Board which may be constituted from time to time.
- c) The NED shall not be an employee of the Company and this letter shall not constitute a contract of employment.

II. Expectation

NED are expected to bring objectivity and independence of view to the Board's discussion 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. Besides, there are other Committee meetings like Audit Committee, Risk Management Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Nomination & Remuneration Committee which are convened as per requirements. NED would be expected to attend meeting of Board and Board Committees, to which they may be appointed and shareholders' meeting and to devote such time to their duties, as appropriate for them to discharge their duties effectively. All meetings including shareholders' meetings would be generally held in Pune or through VC/OAVM as may be decided.

III. Role and Duties

Role and duties will be those normally required of a NED under the Companies Act, 2013. There are certain duties prescribed for all Directors which are fiduciary in nature and are as under:

- i) Director shall act in accordance with the Company's Articles of Association as may be amended from time to time.
- ii) Director shall act in good faith in order to promote the objects of the Company for the benefits of its members as a whole, and in the best interest of the Company.
- iii) Director shall discharge duties with due and reasonable care, skill and diligence.
- iv) Director shall not involve in a situation in which he/she may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- v) Director shall not achieve or attempt to achieve any undue gain or advantage either to self or to any relatives, partners or associates.
- vi) Director shall not assign its office as Director and any assignments so made shall be void.

In addition to the above requirements, the Board of Directors also expect NED to perform the following functions:

- vii) NED should constructively challenge and help develop proposals on strategy for growth of the Company.
- viii) NED should evaluate the performance of management in meeting agreed goals and objectives.
- ix) NED should satisfy themselves on the integrity of financial information and that financial controls and systems or risk management are effective and defensible.
- x) NED shall take responsibility for the processes for accurately reporting on performance and financial position of the Company.
- xi) NED should keep governance and compliance with the applicable legislation and regulations under review and the conformity of Company's practices to accepted norms.

IV. Insurance

The Company has Director's and Officers' Liability Insurance and pays the premium for the same. It is intended to maintain such insurance cover for the term of their appointment, subject to the terms of such policy in force from time to time.

V. Conflict of Interest & Disclosure of other directorships and business interests

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 judgement about Director's non-independence, it should be disclosed to Board.

During the period of term of office as NED, the Company should be promptly be notified about any change in their directorships and provide such other disclosures and information as may be required under the applicable laws. It is also agreed that upon becoming aware of any potential conflict of interest with NED's position as a Director of the Company, Director shall promptly disclose the same to the Board.

During the term, NED agrees to promptly provide a declaration and undertaking as prescribed by the Board of the Company, upon any change in circumstances which may affect their status as Director.

VI. Performance Appraisal / Evaluation Process

As a member of the Board, NED's performance as well as the performance of the entire Board and its Committees would be evaluated annually. Evaluation of each director shall be done by all the other directors excluding the director being evaluated. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board and Committee.

VII. Training and Development

The Company may, conduct formal training programme for its Directors. The Company may, as may be required, support Directors to continually update their skills and knowledge and improve their familiarity with the Company and its business. The Company would arrange for training on all matters which are common to the whole Board.

VIII. Code of Conduct

During the appointment NED would be required to comply with regulations as contained in Schedule IV under Companies Act, 2013, including the following codes of conduct of the company:

- a) Code of Conduct for Board of Directors and Senior Management
- b) Code of Conduct for prevention of Insider trading in securities of the Company and such other requirements as the Board of directors may from time to time specify.

IX. Remuneration

NED would be paid such remuneration by way of sitting fees for attending meetings of the Board and the Committees of which they are member and commission as may be decided by the Board and subject to the approval of the shareholders. The sitting fees for attending each meeting of the Board and its Committees would be as determined by the Board from time to time.

X. Reimbursement of Expenses

In addition to the remuneration mentioned above, the Company shall, reimburse for travel, accommodation and any out of pocket expenses for attending Board / Committee meetings, General Meetings, induction and training (organised by the Company for the Directors) incurred by them in the furtherance of their duties as NED during the period of appointment.

XI. Disengagement

NED may resign from the directorship of the Company by giving a notice in writing to the Company stating the reasons for resignation. The resignation shall take effect from the date on which the notice is received by the Company or the date, if any, as may be specified by Director in the notice, whichever is later. Accordingly, directorship on the Board of the Company shall cease in accordance with law.