



**TERMS OF APPOINTMENT FOR INDEPENDENT DIRECTORS**

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### **Term of Appointment**

The Provisions of the Companies Act, 2013 and Rules thereto and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable, shall apply to your appointment as an Independent Director. In compliance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013, during the term, as an Independent Director, you are not liable to retire by rotation.

Your appointment is also subject to the maximum permissible Directorships that one can hold as per the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As an Independent Director, you may be required to serve on one or more of the Committees of the Board established by the Company. The appointment on such Committee(s) will be subject to the applicable regulations.

### **Role, Duties and Responsibilities**

As a Member of the Board, you along with the other Directors will be collectively responsible for meeting the objectives of the Board which include:

- Requirements under the Companies Act, 2013
- “Responsibilities of the Board” as outlined under SEBI (LODR) Regulations, 2015
- Accountability under the Director’s Responsibility Statement

You shall abide by the ‘Code for Independent Directors’ as outlined in Schedule IV to the Companies Act, 2013 and duties of Directors provided in the Act and Listing Agreement.

### **Time Commitment**

As an Independent Director of the Company, you 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 Nomination and Remuneration Committee and Stakeholders’ Relationship Committee which are ordinarily convened, as per the requirement.

You are expected to attend Meetings of Board of Directors, and the Board Committees to which you may be appointed and the Shareholders Meetings and agree to devote such time, as appropriate to discharge your duties effectively.

## **Disclosures**

During the term, you are required to promptly notify the Company of any change in your Directorships and provide such other disclosures and information as may be required under the applicable laws. As an Independent Director, you agree that upon becoming aware of any potential Conflict of Interest with your position as an Independent Director of the Company, you shall promptly disclose the same to the Chairman and the Company Secretary.

During the term, you agree to promptly provide declaration under Section 149(7) of the Act, upon any change in circumstances which may affect your status, as an Independent Director, confirming compliance with the said criteria of independence every Financial Year.

## **Confidentiality**

All information acquired during the tenure of appointment is confidential and should not be released / communicated, either during 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 Authority. On reasonable request, you shall surrender any documents and other materials made available to you by the Company. The obligation of Confidentiality shall survive termination or cessation of Directorship with the Company.

## **Performance Evaluation**

Your performance as well as the performance of the entire Board and the Committees will be evaluated annually as may be required under the provisions of the law. The appointment and re-appointment on the Board shall be subject to the outcome of the yearly evaluation process.

## **Code of Conduct**

During the appointment, you shall comply with the following Codes of Conduct:

- a. Code of Conduct for Board of Directors
- b. Code of Conduct for prevention of Insider Trading
- c. Code for Independent Directors as provided in Schedule IV to the Companies Act, 2013 and such other requirements as the Board of Directors may from time to time specify.

## **Remuneration**

You shall be paid Sitting Fees for Meetings of the Board and its Committees as may be decided by the Board and approved by the Shareholders, if any, from time to time. The Sitting Fees presently paid to the Independent Director is as per the Policy implemented by the Board of Directors. In addition, the Company shall reimburse the expenses incurred by you for participation in the Board and Committees and other Meetings, in the performance of your roles and duties.

**Liability**

As an Independent Director, you shall be held liable, only in respect of such acts of omission or commission by the Company which had occurred with your knowledge, attributable through Board processes, and with your consent or connivance or where you had not acted diligently with respect of the provisions contained in the Companies Act, 2013 and the Listing Agreement.

**Termination**

You may resign from the position at any time, should you wish to do so, you are requested to serve a reasonable written notice on the Board. In terms of provisions of the Companies Act, 2013, the Independent Director is required to file a copy of Resignation Letter with the Registrar of Companies.

The Directorship on the Board of the Company shall terminate or cease in accordance with law. Apart from the grounds of termination as specified in the Companies Act, 2013, the Directorship may be terminated for violation of any provision of the Code of Conduct as applicable to Directors.

Notwithstanding other provisions of appointment, the Independent Director shall be terminated on failure to meet the parameters of Independence as defined in Section 149(6) or on occurrence of any event as defined in Section 167 of the Companies Act, 2013 or on any other statutory requirement.

**Changes of personal details**

During the term, you shall promptly intimate the Company Secretary and the Registrar of Companies in the prescribed manner, of any change in address or other contact and personal details provided to the Company.

**Miscellaneous**

This Letter represents the entire understanding, and constitutes the 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.

No waiver or modification of this Letter shall be valid, unless made in writing and signed by you and the counter-signed by the Company.

**Governing Law**

This Agreement is governed by and will be interpreted in accordance with laws of India and your engagement shall be subject to the exclusive jurisdiction of the Court at Hyderabad, Telangana, India.

Please confirm your acceptance of the terms and conditions by signing and returning to us the enclosed copy of this letter.

**Publication of the Terms and Conditions**

In line with the provisions of Schedule IV to the Companies Act, 2013, the Company will make public disclosure the terms and conditions of your appointment and will also arrange for it to be displayed on the Company's website at [www.venmaxdrugs.com](http://www.venmaxdrugs.com) .

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