

HEALTHIUM MEDTECH LIMITED
CIN No. U03311KA1992PLC013831

Regd. Office Address: 472/D, 4th Phase, 13th Cross Peenya Industrial Area
Bangalore -560058

Terms of appointment of Independent Director

1. Term of Appointment:

- 1.1 Independent Director's appointment will be for an initial term of three (3) consecutive years with effect from the date of appointment.
- 1.2 Independent Director's term shall end in any event on either at the expiry of three (3) consecutive years or the date on which he/she resign or is removed from the office of director, whichever is earlier.
- 1.3 Independent Director will be eligible for re-appointment for another term of three consecutive years after the expiration of the first term mentioned above subject to his/ her own wishes and approval of the Board and Shareholders, and subject to compliance with and in accordance with the Companies Act, 2013 and any other law for the time being in force.
- 1.4 An annual performance evaluation of the Board as a whole and of the individual directors will be carried out. The criteria for performance evaluation will be as determined by the Nomination and Remuneration Committee. An Independent Director's performance evaluation will be done excluding his/ her presence. His/ Her re-appointment will also be on the basis of the report of his/her performance evaluation.
- 1.5 As an Independent Director the provisions for retirement by rotation at each Annual General Meeting of the Company shall not apply to him/her. Independent Director's resignation or removal shall be in accordance with the Companies Act, 2013.
- 1.6 Notwithstanding anything contained herein Independent Director's appointment will cease immediately in case he/she incur any of the disqualification specified under Section 167 of the Companies Act, 2013 or any other provisions contained therein, and/or any other law for the time being in force as applicable to the Company.

2. Duties, liabilities and expectations of Board:

- 2.1 Independent Director will be expected to perform his/her duties, whether statutory or fiduciary faithfully, efficiently and diligently to a standard commensurate with both the functions of his/her role as an Independent Director and his/her knowledge, skills and experience.
- 2.2 Independent director is expected to enrol himself/herself in the Databank of the Independent director and clear the Proficiency test.

- 2.3 Independent director is expected to acquaint himself/herself with the Company's operations and businesses and update himself/herself regularly.
- 2.4 Independent director will exercise his/her powers in his/her role as an Independent Director having regard to the relevant obligations under prevailing law including the Companies Act, 2013.
- 2.5 Independent Director will have particular regard to general duties for the directors laid down under Section 166 of the Companies Act, 2013.
- 2.6 As an Independent Director he/she shall abide by the Schedule IV i.e. Code for Independent Directors pursuant to Section 149 of the Companies Act, 2013, including the duties, roles and functions and guidelines for professional conduct set out therein.

2.7 Liabilities:

Though the Board as a whole is collectively responsible for promoting the success of the Company by directing and supervising its affairs in a responsible and effective manner, in his/her capacity as an Independent Director he/she will be liable in respect of such acts of omission or commission by a company which had occurred with his/her knowledge, attributable through Board processes, and with his/her consent or connivance, or where he/she have not acted diligently. Any breach of duties specified or expected of him/her as an Independent Director may expose him/her to penal consequences as specified under the Companies Act, 2013 or any other applicable law in force.

2.8 Commitments:

Independent Director will be expected to devote such time as it is necessary for the proper performance of his/her duties. This would depend on preparation for and attendance at:

- a) Scheduled Board and Committee (where he/she is a member) meetings
- b) Annual General Meeting and Extra Ordinary General Meeting
- c) Meetings of the Independent Directors
- d) Training to Board members, if any,
- e) Meetings, if any, as part of the Board evaluation process.
- f) Additional Board, Committee or Shareholder meetings convened as when deemed necessary.

By accepting this appointment, he/she undertake that, taking into account all other commitments he/she may have, he/she is able to, and will, devote sufficient time to his/her duties as an Independent Director.

- 2.9 As an Independent Director he/she shall endeavor to have at least one meeting in a financial year with other Independent Directors without the attendance of other Non-Independent Directors and members of management to review the performance of the Non-Independent Directors and Board as a whole, including performance of Chairman of the Board, and assess the quality, quantity and timeliness of flow of information between the management

and the Board that is necessary for the Board to effectively and reasonably perform their duties. Independent Director should strive to be present at such meeting.

Independent Director shall not take any step or action that will bring or likely to bring disrepute to the Company or affect the Company's interest adversely.

3. Remuneration and Expenses:

- 3.1 As an Independent Director his/her remuneration will comprise of a sitting fee for attending the Board and committee's Meetings. He/she will not be entitled to any stock options.
- 3.2 The sitting fees of INR 1 Lakhs for attending each Board and committee's meetings respectively.
- 3.3 Independent Director shall be eligible to commission up to 1% of net profits to be distributed equally amongst the independent directors, subject to a total remuneration cap of \$50k.
- 3.4 The remuneration payable will be subject to tax and statutory deductions or levies.
- 3.5 The remuneration payable to non-executive directors including Independent Directors will be reviewed periodically by the Board (and/or the Nomination and Remuneration Committee of the Board).
- 3.6 In addition to the remuneration described aforesaid, the Company will, for the period of Independent Director's appointment, reimburse him/ her reasonable expenses incurred in the discharge of his/her roles/duties including participation in meetings of the Board and participation in other meetings such as Board Committee meetings etc as may be required.

4. Independence and outside interests

Based on director's representation and declaration, the Board of the Company will determine him/her to be Independent as per the provisions of the Companies Act, 2013.

Independent Director shall in the first board meeting in which he/she participate as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosure already made and change in the circumstances which may affect his/her status as an Independent Director, give a declaration that he/she meet criteria for Independence as specified in Section 149 of the Companies Act, 2013. The format for such declaration, if any prescribed will be made available to him/her by the Company.

It is accepted and acknowledged that Independent Director have business interests other than those of the Company (as disclosed to the Company in the prescribed form) and have declared any conflicts that are apparent at present. In the event that he/she become aware of any further potential or actual conflicts of interest, those should be disclosed to the Company as soon as

they become apparent and in compliance with the requirements under the Companies Act, 2013.

Independent director shall ensure that he/she comply with the limit on number of directorships and memberships in committees of the board of directors of companies as prescribed under the applicable law.

5. Confidentiality

All information acquired during his/her tenure of directorship is confidential and should not be disclosed, either during his/her tenure or following termination (by whatever means) to third parties without prior clearance from the Chairman and the Managing Director, unless required by law or by the rules of any stock exchange or regulatory body. In the latter case, he/she would be required to suitably inform the Chairman and the Managing Director of such an event or disclosure. He/she should direct any media queries or approaches to the appropriate spokesperson within the Company and to the Chairman and the Managing Director. On reasonable request, he/she shall surrender any documents and other materials made available to him/her by the Company.

6. Interpretation, Amendments and Modifications

6.1 This letter constitutes the terms and conditions of Independent Director's appointment.

6.2 If deemed necessary any modification will be effected in compliance with applicable law and if required subject to approval of shareholders of the Company.

6.3 Any reference to any law, legislation or provision thereunder will include reference to such law, legislation or provision as may be amended, modified, re-enacted or supplemented from time to time.

If at any time Independent Director has any comments or questions relating to his/her position as an Independent Director, he/she is welcome to contact the Company Secretary. On behalf of the Company and the Board, we look forward to his/her valued participation in the Board deliberations and successful direction of the Company's activities.