

TOHEAL PHAARMACHEM LIMITED

Terms and Conditions of Appointment of Independent Directors

1. APPOINTMENT

In accordance with the provisions of the Companies Act, 2013 and other applicable laws, an Independent Director shall serve the office for a term up to consecutive 5 (five) years commencing from the date of his/her appointment, subject to the approval of shareholders at the General Meeting of the Company and shall not be liable to retire by rotation. Further, the Independent Director shall be appointed subject to the fulfillment of criteria of being an independent director and shall not be disqualified of being a Director. Also, the reappointment of Independent Director shall be on the basis of performance evaluation by the Board of Directors.

Unless the appointment is renewed via special resolution the term of independent director shall come to an end on expiry of 5 years or the term decided while his appointment.

Further, no Independent Director shall hold office for more than two consecutive terms, but such independent director shall be eligible for appointment after the expiration of three years of ceasing to become an Independent Director.

2. MEMBERSHIP IN BOARD & OTHER COMMITTEES

The Independent Director may be asked to serve on one or more committees set up by the Board of Directors of the Company and copies of the terms of reference for each of those committees shall be provided to the Independent Director.

This committee includes

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee

Further, it is expected that an independent Director will not serve on the boards & Committees of competing companies.

3. ROLE, DUTIES & RESPONSIBILITIES

The role and duties of an Independent director shall be those as prescribed under the Companies Act, 2013 [including Rules there under) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

4. REMUNERATION

a) Sitting fees - An Independent Director shall also be entitled for sitting fee to attend the meetings of the Board or Committee's thereof either personally or through Video Conferencing



TOHEAL PHARMACHEM LIMITED

or other audio visual means or for any other mode whatsoever as may be decided by the Board of Directors from time to time. The remuneration and fee payable shall be subject to applicable tax deduction at source.

b) Reimbursement of Expenses

Any expenses incurred by the Independent Directors for attending the Board Meeting are reimbursed by the Company other than the sitting fees.

5. CONFIDENTIALITY

All information acquired during the appointment is confidential to company and should not be released, either during the appointment or following termination (by whatever means) to third parties without prior clearance from the Board of directors of the company unless required by law or by the rules of any stock exchange or regulatory body.

6. TRAINING AND DEVELOPMENT

The Company would provide necessary support to Independent Directors in updating their skills and knowledge and improve their familiarity with the company and its business. The Company may, if required, will conduct formal training program for its independent Directors.

7. INDEPENDENCE

The Board of Directors of the Company inter alia will give due consideration to the Director's declaration of being qualified as 'independent' in accordance with the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements). He is expected to continue to be qualified as 'independent' during the tenure and provide periodic declaration to the effect as required by regulations. He will be identified as 'Independent Director in the annual report and other documents and publications of the Company. If circumstances change and the Independent Director believes that his independence may be in doubt, he should discuss this with the Chairman of the Company as soon as possible.

8. PROHIBITION ON INSIDER TRADING AND CODE OF CONDUCT

The Independent Directors are prohibited from dealing in the Company's shares during the period when the trading window is closed. Further, directors, being designated officers of the Company for the purpose of insider trading guidelines, are to peculiar all trades (buy/sell/gift) from the Chairman & Managing Director of the Company and the Compliance Officer. The Director is required to comply with the applicable insider trading laws and regulations. He shall follow the Code for Independent Director' as per Schedule IV of the Companies Act, 2013 and ' Code of Conduct" which will be enclosed with the letter of appointment.

Hoer



TOHEAL PHARMACHEM LIMITED

9. CESSATION

The appointment of the Independent Director may be terminated with or without cause at any time by the Company with immediate effect, in accordance with the Companies Act, 2013 and Rule and Regulations made there under and the Company's Articles of Association, as applicable if the Board of Directors (excluding the concerned Independent Director) is of opinion that the continued appointment is not in the interest of the Company.

The Independent Director may resign from his position at any time by serving a reasonable written notice to the Board of Directors stating out the reason of resignation.

10. GENERAL

All the terms as mentioned above including the appointment, remuneration, professional conduct, role and functions, duties and evaluation shall be governed by the Companies Act, 2013 and Rules made there under & Corporate Governance requirements under the Listing Agreement, as amended from time to time.

Stanley  *Slob*