

**PRISM MEDICO AND PHARMACY LIMITED**

**Dated**

Mr. / Ms.

.....

.....

Dear Sir/ Madam,

We are pleased to inform you that the shareholders of the Company at the Annual General Meeting held on \_\_\_\_\_ have approved your appointment as an Independent Director of the Company not liable to retire by rotation, for five consecutive years for a term upto the conclusion of the Annual General Meeting of the Company in the calendar year \_\_\_\_\_. A copy of the resolution passed in this regard is enclosed as Annexure -I.

This tenure is subject to your meeting the criteria for being an Independent Director and not being disqualified to be a Director under the applicable laws i.e. Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be amended from time to time.

**Appointment:**

1. Your appointment as a Non-Executive Independent Director on the Board of Directors of the Company is subject to the provisions of the Companies Act, 2013.
2. In compliance with provisions of section 149(13) of the Companies Act, 2013, your directorship is not subject to retirement by rotation.
3. Notwithstanding other provisions of this letter, the appointment may be terminated 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 section 149(6) or on the occurrence of any event as defined in section 167 of the Companies Act, 2013.
4. Upon termination or upon your resignation for any reason, duly intimated to the Company, you will not be entitled to any compensation for loss of office.

**Time commitment:**

As a Non-Executive Independent Director 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 generally meets four times in a year. The Audit Committee generally meets atleast four times in a year. Besides, there are other Committee meetings like Nomination and Remuneration Committee, Stakeholder Relationship Committee, meetings of which are ordinarily convened as per requirements. You will

be expected to attend Board and Board Committees to which you may be appointed and Shareholders meetings and to devote such time to your duties, as appropriate for you to discharge your duties effectively. Ordinarily, all meetings are held at the Registered Office of the Company.

By accepting this appointment, you confirm that you are able to allocate sufficient time to meet the expectations from your role to the satisfaction of the Board.

**Role and Duties:**

Your role and duties will be those normally required of a Non-Executive Independent Director under the Companies Act, 2013 (hereinafter referred as “the Act”) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be amended from time to time. As per the provisions of Section 149(8) of the Act, the Company and independent directors shall abide by the provisions specified in Schedule IV of the Act i.e. Code for Independent Director.

You are required to make disclosure of your interest as per the requirements of Section 184 of the Act. In case you so desire, Company would provide support to help you familiarize yourself with the relevant duties and obligations.

**Attending meetings by other means:**

You may give your consent by advance notification to the Chairman or Company Secretary to participate in any meeting(s) of the board or committee thereof, when necessary through video conferencing or other audio visual means except for matters not to be so dealt under the Act. When necessary you can also participate through telephone, electronic mail or any other technology which permits you to communicate with every other director, though such participation would not be reckoned as attending the meeting under the Act.

**Status of Appointment:**

You will not be an employee of the Company and this letter shall not constitute a contract of employment. You will be paid such remuneration by way of sitting fees for meetings of the Board and its Committees as may be decided by the Board. Further, you will also be paid remuneration by way of commission as may be approved by the Board and the Shareholders from time to time.

The sitting fees presently paid to the Non-Executive Independent Director is 3,000/- per meeting of the Board or a Committee thereof.

You will have no entitlement to any bonus during the appointment and no entitlement to participate in any employee stock option scheme operated by the Company or any Group Company.

**Reimbursement of Expenses**

In addition to the remuneration described above, the Company will, for the period of your appointment, reimburse you for travel, hotel and other incidental expenses incurred by you in the performance of your role and duties.

**Conflict of Interest**

It is accepted and acknowledged that you may have business interests other than those of the Company. As a condition to your appointment, you are required to

declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of your appointment.

In the event that your 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 that you are independent, this should be disclosed to both the Chairman and the Company Secretary.

### **Separate meetings:**

(1) The independent directors of the Company shall hold at least one meeting in a financial year, without the attendance of non-independent directors and members of management

(2) All the independent directors of the Company shall strive to be present at such meeting;

(3) The meeting shall:

(a) review the performance of non-independent directors and the Board as a whole;

(b) review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors;

(c) assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

### **Evaluation**

The Board of Directors will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors on an annual basis as per Company's Policy. Your appointment and reappointment on the Board shall be subject to the outcome of the yearly evaluation process.

### **Disclosure of Interest**

Any material interest that a Director may have in any transaction or arrangement that the Company has entered into should be disclosed no later than when the transaction or arrangement comes up at a Board meeting so that the minutes may record your interest appropriately and our records are updated. A general notice that you are interested in any contract with a particular person, firm or Company is acceptable.

### **Code of Conduct**

During the appointment you are required to comply with regulations as contained in Schedule IV under Companies Act, 2013, including the Code of Conduct.

### **Confidentiality**

All information acquired during your appointment is confidential to the Company and should not be released, either during your 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, you shall surrender any documents and other materials made available to you by the Company.

Your 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 you should

avoid making any statements or performing any transactions that might risk a breach of these requirements without prior clearance from the Chairman or the Company Secretary.

### **Publication of the Letter of Appointment**

In line with provision of Clause IV sub clause 6 of Schedule IV, under Companies Act, 2013, the Company will make public the terms and conditions of your appointment and will also arrange for it to be displayed on the Company's website.

### **Membership of Committees**

The Board of Directors may appoint you as Member / Chairman of one or more of its Committees which will be covered in a separate communication setting out the relevant committee's terms of reference and any specific responsibilities.

### **Termination**

You may resign from your position at any time and 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, you are required to file a copy of your resignation letter with the Registrar of Companies, Punjab and Chandigarh.

Continuation of your appointment is contingent on your getting re-elected by the shareholders in accordance with provisions of Companies Act, 2013 and the Articles of Association of the Company, from time to time in force. You will not be entitled to compensation if the shareholders do not re-elect you at any time.

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

Yours sincerely,

For **Prism Medico and Pharmacy Limited**

**Gursimran Singh**

Director

I have read and agree to the above terms regarding my appointment as an Independent Non Executive Director.

Signature:

Name: .....

DIN: ...