

The terms and conditions of the appointment of Independent Directors of MODY CHEMI PHARMA LIMITED ('the Company') are subject to the applicable provisions of the Companies Act, 2013, ('the Act') read with rules framed thereto, as amended from time to time, and the Articles of Association of the Company.

The following are the details of Independent Directors of the Company.

Sr. No.	Name of Independent Director	Director Identification Number	Tenure	
			From	To
1.	NIDHI HARESH PAREKH	09551201	29/03/2022	Upto the conclusion of ensuing AGM to be held in the year 2022.
2.	VAIBHAV GANDHI	09560852	29/03/2022	Upto the conclusion of ensuing AGM to be held in the year 2022.

1. Appointment

The Company has adopted the requirements under the provisions of the Companies Act, 2013, including rules made thereunder, as modified, amended or substituted from time to time and as may be applicable with respect to appointment and tenure of Independent Directors.

The Company shall ensure that pursuant to the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019, any person who is willing to be appointed as an independent director of the Company has applied to the Indian Institute of Corporate Affairs at Manesar ('Institute') for inclusion of his/her name in the databank for a period of one year or five years or for his/her lifetime till he/she continues to hold the Office of an independent director in the Company.

Also, the person concerned willing to be appointed as an independent director or who has been appointed as an independent director of the Company must pass an online proficiency self-assessment test conducted by the institute within one year from the date of inclusion of his/her name in the databank, failing which, his/her name shall stand removed from the databank of the institute.

An Independent Director shall not be liable to retire by rotation in terms of the provisions of the Companies Act, 2013.

An Independent Director will serve for not more than two terms of five years each on the Board of the Company, subject to the maximum tenure of ten years as prescribed under the Companies Act, 2013.

The appointment is also subject to the maximum permissible Directorships that one can hold as per the provisions of the Companies Act, 2013.

The term Independent Director should be construed as defined under the Companies Act, 2013.

2. Committees

The Board may invite any of the Independent Directors for being appointed on one or more existing Board Committees or any such Committee that will be set up in the future. The appointment on such Committee(s) will be subject to the applicable provisions of the laws/regulations. The Board may reconstitute any/all the Committees from time to time, and any such change shall be promptly communicated to the Independent Director concerned.

3. Role, Duties and Responsibilities

The role, functions and duties of the Independent Directors shall be in accordance with those as prescribed under the Companies Act, 2013, the provisions of Schedule IV (Code for Independent Directors) to the Act, as modified, amended or substituted from time to time and as may be applicable and Articles of association of the Company.

As members of the Board, the Independent Directors along with other Directors will be collectively responsible for meeting the objectives of the Board, viz.,

- Fulfilling requirements under the Companies Act, 2013, ('the Act') and Rules framed thereunder;
- Taking Accountability under the Directors' Responsibility Statement, which forms part of the Board's Report to the shareholders;
- Reviewing the Company's business strategy, financial plan and monitoring the performance of the Company;
- Safeguarding the interest of all stakeholders;
- Advising and counselling the management in the respective area of expertise.

There are certain duties prescribed for all Directors, both Executive and Non-Executive, that are fiduciary in nature and are broadly as under:

- Directors shall act in good faith to promote the objects of the Company for the benefit of its members as a whole and in the best interest of the Company and all its stakeholders.
- Directors shall discharge their duties with due and reasonable care, skill and diligence.
- Directors shall not involve themselves in a situation in which they may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- Directors shall not achieve or attempt to achieve any undue gain or advantage either to themselves or their relatives, partners or associates.

- Directors shall not unfairly obstruct the functioning of the Board or any Committee of the Board.
- Directors shall act within their authority and assist in protecting the legitimate interest of the Company, its shareholders, its employees and all other stakeholders.
- Directors shall abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Companies Act, 2013.
- Directors shall not disclose any confidential/privileged information of the Company unless such disclosure is expressly approved by the Board or required by law.
- An Independent Director shall at all times comply with the Companies (Creation & Maintenance of databank of Independent Directors) Rules, 2019, and or any modifications brought in by the Ministry of Corporate Affairs to the said Rules as and when it deems fit.

4. Time Commitment

Considering the nature of the role of an Independent Directors, it is difficult for the Company to lay down specific parameters on time commitment.

The Independent Directors agree to devote such time as is prudent and necessary for the proper performance of their role, duties and responsibilities as Independent Director.

5. Remuneration

The Independent Directors 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 from time to time in accordance with the limits prescribed under the Companies Act, 2013, and rules made thereunder.

Further, the Independent Directors will not be granted any options under any Employee Stock Options Schemes of the Company.

6. Reimbursement of Expenses

Further, the Company may reimburse the Independent Directors such expenditure, as may be incurred by them while performing their role as an Independent Director of the Company, including expenditure incurred by them for travel, accommodation or any out-of-pocket expenses for attending Board/Committee Meetings, General Meetings, Court Convened Meeting, meetings with Shareholders/Creditors/Management.

7. Code of Conduct

As Independent Directors of the Company, they agree to comply with the provisions of the Company's Code of Conduct, as and when adopted by the Board.

Unless specifically authorized by the Company, the Independent Directors shall keep confidential all information concerning the Company and shall not divulge or disclose the same to any person during the term of their appointment. Their obligation of confidentiality shall survive cessation of their directorships with the Company.

The Independent Directors agree not to engage in any activity that might impede the application of their independent judgment in the best interest of the Company.

8. Performance Evaluation

The performance of all the Directors and the entire Board shall be evaluated annually.

Evaluation of Independent Directors shall be done by the Board, and criteria for evaluation shall be determined by the Nomination & Remuneration Committee.

The appointment/re-appointment/continuation of Independent Directors on the Board shall be subject to the outcome of the yearly evaluation process.

The Company shall include a statement in its Annual Report stating regarding the opinion of the Board with respect to integrity, expertise and experience (including the proficiency) of the independent directors appointed during a financial year.

9. Disclosures, Conflict of Interest

It is accepted and acknowledged that the Independent Directors may have business interests other than those of the Company. They are required to declare any such directorships, appointments and interest to the Board in writing in the prescribed form.

During their term, the Independent Directors agree to promptly provide a declaration under Section 149(7) of the Act upon any change in circumstances which may affect their status, individually, as Independent Director. Further, they also agree to confirm, individually, compliance with the said criteria of independence every financial year.

The Independent Directors shall declare his/her compliance with the provisions of Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019, each time he/she submits the declaration of independence under Section 149(7) of the Companies Act, 2013.

10. Disengagement

The Independent Directors 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, specified by them in the notice, whichever is later.

The directorship of Independent Directors on the Board shall cease in accordance with the provisions of the Companies Act, 2013, or other applicable laws.

The Company may disengage the Independent Directors prior to completion of their terms (subject to compliance of relevant provisions of the Act) upon:

- for reasons as enumerated in the Letter of Appointment issued to them;
- the Independent Directors failing to meet the criteria for independence as envisaged in Section 149(6) of the Act, as amended from time to time;

Continuation of an Independent Director's appointment is contingent on his/her 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.

The Independent Director will not be entitled to compensation if the shareholders do not re-elect him/her at any time.

11. Changes in Personal details

During the tenure of appointment, the Independent Director shall promptly inform the Company or the Registrar of Companies in the prescribed manner of any change in address or contact details or personal details provided to the Company at the time of appointment.

12. General

Action, in particular, that should not be taken by the Independent Directors while in Office, includes the following:

1. Action that involves any violation of applicable law;
2. Action that either involves their personal interest, except as disclosed in terms of the applicable laws, or compromises or conflicts with the interest of the Company.