



ANUH PHARMA LTD.

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TERMS AND CONDITIONS OF APPOINTMENT (INCLUDING RE-APPOINTMENT) OF INDEPENDENT DIRECTORS



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Terms and Conditions of Appointment (including Re-Appointment) of Independent Directors

*Pursuant to the provisions of Schedule IV to the Companies Act, 2013
("the Act") and Regulations 17(5) (b) of the Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements, 2015) ("SEBI LODR")*

1. INTRODUCTION

This Policy sets out the terms and conditions of appointment (including re-appointment) of Independent Directors (IDs) on the Board of **Anuh Pharma Limited** in compliance with the provisions of the **Companies Act, 2013, Rules made thereunder,** and **SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015** ("SEBI LODR").

2. DEFINITION OF INDEPENDENT DIRECTOR

An Independent Director shall mean as per Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI LODR.

3. INTERPRETATION:

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Act, Listing Regulations and/or any other SEBI Regulation(s) as amended from time to time.

4. INDEPENDENT DIRECTOR

The details of the Independent Directors shall be available on the website of the Company at <https://www.anuhpharma.com/about-BOD.html#filter=.bod>

5. TERMS OF APPOINTMENT

Appointment of independent director is as contemplated by Section 149 of the Companies Act, 2013 for a period of five years commencing from their date of appointment i.e. date of respective Annual General Meeting or as may be decided by the shareholders by Postal Ballot.



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The appointment is not subject to retirement by rotation in pursuance of provisions of sub-section (13) of Section 149 of the Companies Act, 2013.

Pursuant to the provisions of Section 149 (10) of the Companies Act, 2013, independent Director shall hold the office for a term upto 5 consecutive years. However, Re-appointment at the end of the Term shall be based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Board and the shareholders by way of a special resolution. The reappointment would be considered by the Board based on the outcome of the performance evaluation process and the directors continuing to meet the independence criteria as envisaged in SEBI (LODR) Regulations, 2015 and the Companies Act, 2013.

The appointment of Independent Director may be terminated if disqualified from acting as an independent director or vacate the office as a director for any reason either under the Companies Act, 2013 or under Listing Regulations or any other relevant laws.

6. COMPLIANCE WITH SECTION 149 (6) & CODE OF CONDUCT

During the tenure of the office, an Independent Director is required to continue to comply with the provisions of Section 149(6) of the Companies Act, 2013, as amended and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

During the tenure of the office, an Independent Director shall comply with the Code of Conduct (As per **Annexure - A**) of the Company for Directors.

Independent Director shall comply with the guidelines of professional conduct as stipulated in Schedule IV to the Companies Act, 2013.

7. ROLE AND FUCTIONS

Role and functions of an Independent Director of the Company shall be as prescribed in Schedule IV of the Companies Act, 2013.

Independent Director shall serve as Chairman or member of such Board Level Committee or Committees to which he is appointed from time to time and the functions, tasks, duties and powers of such committees shall be such as may be decided by the Board of Directors from time to time.



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8. DUTIES

An Independent Director –

- Shall act in accordance with the Articles of Association of the Company and while discharging his/her duties.
- Shall perform his fiduciary duties as an independent director with integrity
- Is expected to perform the general fiduciary duties, and exercise the skill and care expected of every director.
- Shall perform his duties as a director in compliance with the provisions of Section 166 of the Companies Act, 2013.
- Shall also perform his duties as an Independent Director as prescribed in Clause III under Schedule IV of the Companies Act, 2013
- Shall be held liable only in respect of such acts of omission or commission by the Company which have occurred with his/her knowledge, attributable through Board processes, and with his/her consent or where Independent Director has not acted diligently.

9. REMUNERATION

- Independent Directors will not be employees of the Company and their appointment letter shall not constitute a contract of employment. They may be paid such remuneration by way of sitting fees for meetings of the Board and its Committees as may be decided by the Board.
- Independent Directors 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.
- Commission may be paid as per shareholders' approval.

10. REIMBURSEMENT OF EXPENSES

An Independent Director will be reimbursed all expenses incurred in travelling for attending the Board and other meetings and reasonable and proper accommodation expenses, if any, for meetings that necessitate the director to stay away from home.

11. TRAINING AND DEVELOPMENT

The Company may, if required, conduct formal training program for its Independent Directors. The Company may, as may be required, support Directors to continually



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update their skills and knowledge and improve their familiarity with the company and its business. The Company will fund/arrange for training on all matters which are common to the whole Board.

12. EVALUATION OF PERFORMANCE

As a member of the Board, their performance shall be evaluated annually. Evaluation shall be done by all the other Directors. The criteria for evaluation shall be determined by the Nomination & Remuneration Committee and disclosed in the Company's Annual Report. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board/Committee.

13. DISCLOSURES BY INDEPENDENT DIRECTORS

Independent Directors are required to:

- At the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect the status as an independent director, give a declaration that he/ she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 as amended and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.
- Disclose directorships in other companies, memberships and Chairmanships in other committees, disclosure of interest in other entities, interest in related party transactions, and changes in their independence status.
- Register with the **Independent Director's Databank** maintained by IICA and pass the **online proficiency self-assessment test**, if applicable.

14. CHANGES OF PERSONAL DETAILS

During the Term, Independent Directors 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.

15. RESIGNATION AND REMOVAL

- Independent Directors may resign in the manner as may be prescribed in Section 168 of the Companies Act, 2013.



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The resignation shall be disclosed to the stock exchanges as per **Regulation 30 of SEBI LODR.**

- Removal before expiry of tenure shall be in compliance with Section 169 of the Companies Act, 2013.
- Additionally, the Company shall comply with the Clause VI of Schedule IV of Companies Act, 2013.

16. COOPERATION

In the event of any claim or litigation against the Company, based upon any alleged conduct, act or omission on their part during their Term, they agree to render all reasonable assistance and cooperation to the Company and provide such information and documents as are necessary and reasonably requested by the Company or its counsel.

17. CONFIDENTIALITY

During their tenure and thereafter, IDs shall not disclose any confidential information pertaining to the company or its stakeholders without prior written approval.

18. GENERAL

Independent Director shall comply with the provisions of Schedule IV to the Act as may be in force from time to time.

19. AMENDMENTS TO THE POLICY

This policy shall be reviewed periodically and may be amended by the Board to reflect changes in applicable laws or company requirements.



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Annexure - A

Code of Conduct for Non-Executive Directors & Independent Directors

A. All Directors of the Company shall:

- act in accordance with the Articles of the Company.
- act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interests of the Company, its employees, the shareholders, the community and for the protection of the environment.
- exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgement.
- not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the Company.
- not assign his office and any assignment so made shall be void.

B. Non-Executive Directors of a Company will:

- Always act in the interest of the company and ensure that any other business or personal association which they may have, does not involve any conflict of interest with the operations of the company and his role therein.
- Comply with all applicable laws and regulations of all the relevant regulatory and other authorities as may be applicable to such Directors in their individual capacities.
- Safeguard the confidentiality of all information received by them by virtue of their position.

Code for Independent Directors

This Code is a guide to professional conduct for Independent Directors. Adherence to these standards by Independent Directors and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of Independent Directors.



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1) Code for Independent Directors

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I. Guidelines of professional conduct:

An Independent Director shall:

- a) uphold ethical standards of integrity and probity;
- b) act objectively and constructively while exercising his duties;
- c) exercise his responsibilities in a bona fide manner in the interest of the company;
- d) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- e) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- f) not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- g) refrain from any action that would lead to loss of his independence;
- h) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- i) assist the company in implementing the best corporate governance practices. undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;

II. Role and functions:

The Independent Directors shall:

- a) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources,



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- key appointments and standards of conduct;
- b) bring an objective view in the evaluation of the performance of board and management;
- c) scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- d) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- e) safeguard the interests of all stakeholders, particularly the minority shareholders;
- f) balance the conflicting interest of the stakeholders;
- g) determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- h) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

III. Duties :

The Independent Directors shall:

- a) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- b) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
- c) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- d) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- e) strive to attend the general meetings of the company;
- f) where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- g) keep themselves well informed about the company and the external environment in which it operates;
- h) not unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;



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- i) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;
- j) ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- k) report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- l) act within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- m) not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.