

Date:

To
Mr / Ms.....
Address:

Subject: Letter of Appointment for Independent Director

Dear Mr. / Ms.

At the outset, we would like to thank you for your confirmation to act and hold office as an Independent Director of Gland Pharma Limited, a public limited company incorporated under the Companies Act, 1956, having its Registered Office at Sy. No. 143-148, 150 & 151, Gandimaisamma ‘X’ Roads, D.P. Pally, Dundigal – Gandimaisamma Mandal, Medchal-Malkajgiri Dist., Hyderabad – 500 043, (“Company”).

Pursuant to your confirmation and the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company (“Board”) has approved your appointment as an Independent Director on the Board.

This letter of Appointment is being issued to you as per the provisions of the Companies Act, 2013 (“Act”).

TERMS AND CONDITIONS OF INDEPENDENT DIRECTORS

1. Appointment

- 1.1. Your appointment will be for an initial term of five consecutive years with effect from , subject to the approval of the Shareholders in the ensuing Annual General Meeting / Extraordinary General Meeting of the Company.
- 1.2. You will be eligible for re-election for another term of up to 5 (five) consecutive years after the expiration of the first term mentioned above subject to your own wishes and approval of the board and shareholders, and subject to compliance with and in accordance with the Act, and any other law for the time being in force.
- 1.3. Your re-appointment will be on the basis of your performance evaluation by the board and such evaluation will be done excluding your presence.
- 1.4. As an Independent Director the provisions for retirement by rotation at each Annual General Meeting of the Company shall not apply to you. Your resignation or otherwise cessation shall be in accordance with the Act.
- 1.5. Notwithstanding anything contained herein, your appointment will cease immediately in case you incur any of the disqualification specified under Section 167 of the Act, or any other provisions contained therein, and/or any other law for the time being in force. In such an event, you agree to submit your resignation as Director of the Company effective the date of such disqualification.

1.6. You may resign from the position of Director by issuing a notice to that effect to the Company in writing stating therein, the reasons for resignation. Such resignation shall either be effective from the date of receipt of resignation by the Company or the date that may have been specified by you in your notice, whichever is later.

2. Duties and expectations of Board

- 2.1. You will be expected to perform your duties, whether statutory or fiduciary faithfully, efficiently and diligently to a standard commensurate with both the functions of your role as an Independent Director of the Company and your knowledge, skills and experience.
- 2.2. You are expected to acquaint yourself with the Company's operations and businesses and update yourself regularly.
- 2.3. You will exercise your powers in your role as an Independent Director having regard to the relevant obligations under prevailing law including the Act (as amended from time to time).
- 2.4. You will have particular regard to general duties for the directors laid down under Section 166 of the Act.
- 2.5. As an Independent Director you will have to abide by the **Code for Independent Directors** under Schedule IV pursuant to Section 149 of the Act, including the duties, roles and functions and guidelines for professional conduct set out therein (which shall be deemed to form part of this appointment letter).
- 2.6. You shall not involve yourself in a situation in which you may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- 2.7. You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates and if found guilty of making any undue gain, you shall be liable to pay an amount equal to the gain so made, to the Company.
- 2.8. You shall not assign your office and any assignment so made shall be void.
- 2.9. At the first meeting of the Board in every financial year of the Company or whenever there is any change in the circumstances which may affect your status as an Independent Director, you are required to give a declaration to that effect confirming that you meet the criteria of Independence (as required under Section 149(6)/149(7) of the Act).

- 2.10. You agree to furnish disclosure of interest to the Company as required under Section 184 and 164(2) of the Act as well as avoid any conflicts of interest with the Company and its business.
- 2.11. You agree to attend the Annual meeting of Independent Directors and discuss the agenda as provided in Schedule IV of the Act.
- 2.12. During your tenure with the Company in case you get disqualified as provided in Section 164(1) of the Act, you are requested to intimate the Company.
- 2.13. You are also requested to ensure that the conditions as prescribed under Section 167 of the Act are not attracted resulting in vacation of your office.
- 2.14. You agree to devote such time as is prudent and necessary for the proper performance of your duties as an Independent Director and / or Committee member. This would depend on preparation for and attendance at:
 - scheduled Board and committee (where you are a member) meetings
 - the Annual General Meeting of members
 - meetings of the Independent Directors
 - training to Board members
 - Meetings, if any, as part of the Board evaluation process.
 - Additional Board, committee or shareholder meetings convened as when deemed necessary.
- 2.15. By accepting this appointment you undertake that, taking into account all other commitments you may have, you are able to, and will, devote sufficient time to your duties as an Independent Director.
- 2.16. As an Independent Director you shall endeavour to have at least 1 (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, 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. You should strive to be present at such meeting.

3. Board Committees

- 3.1. You may also be invited to join as a Member/Chairman of the Committees constituted by the Board.
- 3.2. The Roles and Functions of Committees will be as may be decided by the Board of Directors from time to time in accordance with the Act. The Board may reconstitute the composition of any/all Committees, from time to time, and any such change shall

be promptly communicated to you. In such an event you may also be required to serve on other Committees of the Board.

4. Liabilities and Indemnification

- 4.1. Any breach of duties specified or expected of you as an Independent Director may expose you to penal consequences as specified under the Act or any other applicable law in force. However, the Company shall not identify you as an “officer-in-default” or an occupier, manager or employer under any law.
- 4.2. The Company shall indemnify you and hold you harmless in relation to any expenses claims, losses or liabilities initiated against you for all the actions done in good faith throughout your tenure of your association with the Company. You shall not be liable for any acts done by you in good faith relying on the representations, information, details or documents shared with you by the Company, its advisors, officers or its employees which is inaccurate, incomplete, false, untrue and formed basis for your decision taken, advise given, opinion formed while imparting your service towards the Company.
- 4.3. The liability, expense referred in point no. 4.2 above may be contracted or known to be contracted during your tenure of director and may have come to light or known to the Company, its board of directors and you, subsequent to your cessation as a director, you are eligible to be indemnified by the Company.
- 4.4. If you are required to be made a party to any compounding application filed by the Company with any authority for making good any non-compliance during your tenure or due to any action take during your tenure, then the Company shall inform you of such requirement and, after obtaining your consent, make you a party to such compounding application. The aforementioned shall be undertaken by the Company whether or not such application is made during your tenure or thereafter. The Company shall pay the compounding fees, penalties and/or fine, if any, levied by the regulatory authority, judicial or quasi-judicial authority. In the event that you are required to make any payment pursuant to the compounding application, any such payment (including reasonable attorney’s fees) made by you will be reimbursed by the Company.

5. Remuneration and Expenses

- 5.1. As an Independent Director, you shall be entitled for sitting fee of INR for each Board Meeting and a commission based on the profits of the Company as approved by the members of the Company, subject to a maximum of for each financial year. You will not be entitled to any stock options.
- 5.2. The total amount of commission payable to all Non-Executive Directors including Independent Directors is limited to an amount not exceeding 5% of net profits of the

Company in the concerned financial year or the limits as may be prescribed by the Act, whichever is lower.

- 5.3. The Company will reimburse you for expenses incurred for participation in the Board/Committee Meetings and expenses incurred by you in connection with performing the duties as a Director.
- 5.4. The remuneration payable will be subject to tax and statutory deductions or levies.
- 5.5. 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).

6. Confidentiality

- 6.1. You acknowledge that all information acquired during your appointment or engagement as a Director with the Company is confidential to the Company and except to the extent required under law, should not be released, communicated, nor disclosed either during your appointment or following termination (by whatever means), to third parties without our prior clearance.
- 6.2. This restriction shall cease to apply to any confidential information which may (other than by reason of a breach of the confidentiality obligations set out herein) become available to the public generally or was developed by you independently without involvement of Company or its representatives or was received from a third party without any duty of confidentiality.
- 6.3. You acknowledge the need to hold and retain Company information (in whatever format you may receive it) under appropriately secure conditions.

7. Company policies

You will have to abide with the Company's policies as applicable to independent directors. A copy of the policies along with any prospectively applicable changes to such policies will be provided to you separately.

8. Directors and Officers Liability Insurance

- 8.1. The Company shall maintain a policy of directors' and officers' liability insurance ("D&O Insurance") at its expense, on such terms and conditions as may be approved by the Board and will cover your liabilities which are within the purview of the D&O Insurance. You will be covered under the D&O Insurance throughout your term of appointment. You will also be covered under the insurance even after your cessation as a director of the Company, for the actions limited to those done by you during your tenure as a director but the liabilities may have arisen later.
- 8.2. In the event, if D&O Insurance fails to settle your eligible claims, the Company shall indemnify you for expenses, or liabilities of any type whatsoever (including, but not

limited to, judgments, fines, excise taxes or penalties and amounts paid in settlement) only to the extent of such amounts that have not been paid directly to the Indemnitee by D&O Insurance, if any.

- 8.3. You will not be liable for any dispute between the Company and the D&O liability insurance provider for any reason, nor you will be liable for payment of amount, premium, fee, tax, in relation to obtaining and maintaining such an insurance by the Company. Company shall also reimburse any reasonable expense that you may directly incur to determine your liability or non-liability in relation to the D&O liability insurance.

9. Retirement Policy

The age of retirement for Non-Executive Directors including Independent Directors is 75 years.

10. Change of Personal Details

During the term, you shall intimate the Company Secretary and the Registrar of Companies in the prescribed manner and within the time prescribed under law, of any change in address or other contract and personal details provided to the Company.

11. Governing Law

- 11.1. This agreement is governed by and will be interpreted in accordance with Indian law, and your engagement shall be subject to the jurisdiction of the courts in Hyderabad.
- 11.2. You and the Company shall, at all times, act in good faith, and make all attempts to resolve all differences, howsoever arising out of or in connection with this Letter of Appointment and your appointment by way of each appointing one nominee/representative who shall discuss in good faith to resolve the differences. You and the Company agree that you and the Company shall have the ability to obtain interim, injunctive or equitable relief as permissible under applicable law.

12. Co-operation

- 12.1. In the event of any claim or litigation against the Company, based upon any alleged conduct, act or omission on your part during your Term, you agree to render assistance and cooperation to the Company (at Company's cost) and provide such information and documents as are necessary and requested by the Company or its Counsel.
- 12.2. Similarly, the Company will co-operate by providing all the assistance, information, documents, support to you for any compliance issues or legal proceedings that you face with the regulatory authorities for the actions done during your association with the Company, regardless of initiation of such legal proceedings or being continued

during your association with the Company in any capacity or subsequent to cessation of your association with the Company.

13. Interpretation, Amendments and Modifications

- 13.1. This letter constitutes the terms and conditions of your appointment. Your relationship with the Company will be that of an Office-holder and not that of Contract for employment with the Company.
- 13.2. If deemed necessary any modification will be effected in compliance with applicable law and if required subject to approval of Shareholders of the Company.
- 13.3. 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.
- 13.4. If at any time you have any comments or questions relating to your position as an Independent Director of the Company, you are welcome to contact the Company Secretary.

14. Further Actions

The Parties shall do or cause to be done such further lawful acts, deeds, matters and things and execute such further documents and papers as may be reasonably required to give effect to the terms of this Letter of Appointment.

If the terms of this Letter of Appointment are acceptable to you, please confirm your acceptance by signing and returning the enclosed copy of this letter to the Company.

We thank you for your support and wish you the very best.

Yours Sincerely,
FOR Gland Pharma Limited

Name:
Designation: MD & CEO
Date:

I have read and understood the terms of my appointment as an independent director of the Company and I hereby affirm my acceptance to the same.

Name:
Date: