

Terms of Appointment of Independent Directors of the KMC Speciality Hospitals (India) Limited

The Terms of Appointment, shall in any event be subject to the provisions of the Companies Act, 2013 and Articles of Association of the Company. The broad terms and conditions covering the appointment of Independent Directors are set out as under:

1. Term of Appointment:

The appointment as an Independent Director (ID) on the Board of the Company shall be for an initial term of 5 (five) years upto DD/MM/YYYY, unless terminated earlier.

Independent Director shall not be liable to retire by rotation. The appointment shall also be subject to the maximum permissible Directorships and Membership/Chairmanship in Committees which shall be as per the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations 2015.

2. Committees of the Board:

The Board of Directors (the Board) may, if it deems fit, invite the ID to serve on one or more of the Board Committees. The appointment of ID on such Committee (s) will be subject to Regulation 26 of SEBI (LODR) Regulations 2015.

3. Expectations of the Board:

- (i) The ID will attend the meetings, bring objectivity and independence of view to the Board's discussions in relation to the Company's strategy, performance, and risk management as well as ensuring high standards of financial probity and corporate governance.
- (ii) The ID will provide required disclosure including Annual declaration of meeting the criteria of Independence, as prescribed under the Companies Act, 2013 & SEBI (LODR) Regulations 2015. Any change in the declarations/ disclosures submitted, shall be updated promptly to the Company.
- (iii) The ID must apply the highest standard of confidentiality and not disclose to any person or Company, whether during the course of Appointment or at any time after termination, any confidential information concerning the Company and any group Companies with which the ID comes into contact by virtue of their position.



4. Role, Responsibilities and Duties along with Accompanying Liabilities:

The role of ID will be crucial in providing valuable insights, timely guidance, and independent judgement to the Board. The duties and liabilities that come with the appointment of an ID would be as specified in the Companies Act, 2013, SEBI (LODR) Regulations 2015 or any other applicable law in force. The duties and responsibilities of an Independent Director are specified in Companies Act, 2013, which includes, but are not limited to, the following:

1. Participating actively and constructively in Board meetings, Committee meetings, and other relevant discussions.
2. Offering impartial advice and perspective on matters related to corporate governance, strategy, risk management and compliance.
3. Monitoring and evaluating the company's performance, including financial performance, financial controls and risk management systems, and providing feedback and recommendations to enhance shareholder value.
4. Safeguarding the interests of all stakeholders and ensuring ethical conduct and compliance with laws, regulations and corporate policies.
5. The ID shall not engage in any business relationship or activity which might conflict the interest of the Company. In case of potential conflict of interest, such ID shall at the earliest make full disclosure of all facts and circumstances and shall ensure the Company's interest are protected.
6. The ID shall hold and attend at least one Independent Directors' meeting in a financial year as required under Schedule IV of the Companies Act, 2013.
7. The ID shall abide by the 'Code For Independent Directors' as outlined in Section 149(8) & Schedule IV of the Companies Act, 2013 and in regulation 4(2)(f) of SEBI(LODR) Regulations 2015.
8. The ID shall abide by the "Company's Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons", prohibiting disclosure or sharing of unpublished price sensitive information (UPSI) and dealing in securities of the Company. As a Director of the Company, the ID will be classified as a designated person of the Company and hence are prohibited from dealing in the Company's securities during the period when the trading window is closed.

5. Fees and Remuneration:

The ID would be entitled to sitting fees and reimbursement of expenses for participation in the Board and Committee meetings in which they are a member.

6. Directors and Officers (D&O) Insurance:

The Company has Directors' and Officers' liability insurance (to a limited extent) and it is intended that the Company will assume and maintain such cover for the full term of appointment of ID.

