

To,

Sub: Appointment of Independent Director

Dear Sir/ Madam,

Appointment as a Non-Executive, Independent Director of OmniActive Health Technologies Limited (the “Company”)

We are pleased to inform you that the Board of Directors (“the Board”) in their meeting held on _____ has approved your appointment as a Non-Executive Independent Director of the Company (“the Appointment”) with effect from _____; pursuant to the provisions of Companies Act, 2013 (“the Act”) and the Rules made thereunder.

The terms of the Appointment shall be subject to the Act, the rules made thereunder and the Articles of Association of the Company.

These terms are set out below, as stipulated in Schedule IV to the Act.

1. Tenure of the Appointment

- 1.1. The Appointment is for a term of five consecutive years, commencing on _____ and expiring at the conclusion of business hours on _____ (the “Termination Date”).
- 1.2. The Appointment is subject to the approval of shareholders at the ensuing annual general meeting of the Company.

2. Code for Independent Directors

- 2.1. The Appointment shall be governed by Schedule IV to the Companies Act, 2013 - ‘Code for Independent Directors’, enclosed to this letter as **Annexure A**.
- 2.2. You will strictly abide by the said Code for Independent Directors.

3. Time Commitment

- 3.1. The Company expects a commitment of sufficient time and attention as necessary in order to perform your duties under the Appointment.
- 3.2. This will include attendance at Board meetings, Committee Meetings and the Annual General Meeting.
- 3.3. In addition, you will be expected to devote appropriate preparation time ahead of each meeting.
- 3.4. By accepting the Appointment, you confirm that you are able to allocate sufficient time to perform your role.

4. Role and Duties

- 4.1. Your role and duties will be that of a Non-Executive, Independent Director as specified under the Companies Act, 2013.
- 4.2. You will perform the role outlined and enumerated in **Annexure B**, that captures the expectation of the Board from you including the tasks of the Board-level committee(s) in which you are expected to serve.
- 4.3. These include certain duties which are fiduciary in nature and are as under:
 - 4.3.1. You shall act in accordance with the Company's Articles of Association.
 - 4.3.2. You shall 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 interest of the Company, its employees, the shareholders, the community and for protection of environment.
 - 4.3.3. You shall discharge your duties with due and reasonable care, skill and diligence.
 - 4.3.4. 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.
 - 4.3.5. You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.
 - 4.3.6. You shall not assign your office as Director and any assignments so made shall be void.

5. Remuneration

- 5.1. You will be entitled to remuneration as detailed in **Annexure C**. This includes the following:
 - 5.1.1. Fees for services
 - 5.1.2. Profit related commission
 - 5.1.3. Sitting Fees for attending each meeting of the Board and its Committees held during your tenure as independent director.
- 5.2. The Company shall also reimburse expenses incurred by you towards travelling, boarding & lodging for attending Board / Committee meetings.

6. Directors and Officers (D and O) insurance

- 6.1. You shall be covered by Directors and Officers (D and O) insurance from the date of the Appointment.
- 6.2. Details of the prevailing Directors and Officers (D and O) insurance policy have been given in **Annexure D**. A copy of the Policy shall be given to you separately.
- 6.3. The Policy shall be renewed periodically for amounts that will be fair and reasonable.

7. Disclosure of Interest

- 7.1. The Company must include in its Annual Accounts a note of any material interest that a Director may have in any transaction or arrangement that the Company has entered into. Such interest 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 records are updated.
- 7.2. A general notice that you are interested in any contracts with a particular person, firm or company is acceptable.

8. Conflict of Interests

- 8.1. It is accepted and acknowledged that you may have business interests other than those of the Company. As a condition to your Appointment commencing, 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.
- 8.2. 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 judgment that

you are independent, this should be disclosed to the Chairman and the Managing Director of the Company.

9. Confidentiality

- 9.1. All information acquired during your Appointment is confidential to OmniActive Health Technologies Limited and should not be released, either during your Appointment or following termination (by whatever means), to third parties for a period of 6 months from the Termination, unless
 - 9.1.1. prior clearance is obtained from the Chairman or Managing Director
 - 9.1.2. the information is required by law or any regulatory body
 - 9.1.3. the information is already in public domain.

10. Performance Appraisal/ Evaluation

- 10.1. The Company will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors on an annual basis. as required.
- 10.2. Your Appointment on the Board shall be subject to the outcome of the yearly evaluation process.

11. Termination

- 11.1. You may resign from your position at any time and should you wish to do so, serve a written notice of 30 days to the Board.
- 11.2. 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.
- 11.3. You will not be entitled to compensation if the shareholders do not re-elect you at any time.
- 11.4. 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.

12. Governing Law

- 12.1. This agreement is governed by and will be interpreted in accordance with, Indian law and your engagement shall be subject to the jurisdiction of Indian courts.

If you are willing to accept these terms of Appointment relating to your Appointment as a Non-executive, Independent Director of OmniActive Health Technologies Limited, kindly confirm your acceptance of these terms by signing and returning to us the enclosed copy of this letter.

Yours sincerely

For OmniActive Health Technologies Limited

Chairman and Managing Director

Dated this ___ day of ___, _____ at Mumbai

AGREE AND ACCEPT:

I have read and understood the terms of my appointment as an Independent Director of the Company and I hereby affirm my acceptance of the same.

Signature:

Name :
DIN :
Address :
Place :

Annexure A : CODE FOR INDEPENDENT DIRECTORS

(Source: SCHEDULE IV of the Act- See section 149(7))

The 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.

I. Guidelines of professional conduct :

An independent director shall :

- (1) uphold ethical standards of integrity and probity;
- (2) act objectively and constructively while exercising his duties;
- (3) exercise his responsibilities in a bona fide manner in the interest of the company;
- (4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- (5) 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;
- (6) 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;
- (7) refrain from any action that would lead to loss of his independence;
- (8) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- (9) assist the company in implementing the best corporate governance practices.

II. Role and functions :

The independent directors shall :

- (1) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- (2) bring an objective view in the evaluation of the performance of board and management;
- (3) scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- (4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- (5) safeguard the interests of all stakeholders, particularly the minority shareholders;
- (6) balance the conflicting interest of the stakeholders;
- (7) 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;

(8) 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-

(1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;

(2) 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;

(3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;

(4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;

(5) strive to attend the general meetings of the company;

(6) 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;

(7) keep themselves well informed about the company and the external environment in which it operates;

(8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;

(9) 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;

(10) 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;

(11) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;

(12) acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;

(13) 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.

IV. Manner of appointment :

(1) Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.

(2) The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.

(3) The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfils the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.

(4) The appointment of independent directors shall be formalised through a letter of appointment, which shall set out :

- (a) the term of appointment;
 - (b) the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;
 - (c) the fiduciary duties that come with such an appointment along with accompanying liabilities;
 - (d) provision for Directors and Officers (D and O) insurance, if any;
 - (e) the Code of Business Ethics that the company expects its directors and employees to follow;
 - (f) the list of actions that a director should not do while functioning as such in the company; and
 - (g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.
- (5) The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the company by any member during normal business hours.
- (6) The terms and conditions of appointment of independent directors shall also be posted on the company's website.

V. Re-appointment :

The re-appointment of independent director shall be on the basis of report of performance evaluation.

VI. Resignation or removal :

- (1) The resignation or removal of an independent director shall be in the same manner as is provided in sections 168 and 169 of the Act.
- (2) An independent director who resigns or is removed from the Board of the company shall be replaced by a new independent director within a period of not more than three months from the date of such resignation or removal, as the case may be.
- (3) Where the company fulfils the requirement of independent directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

VII. Separate meetings :

- (1) The independent directors of the company shall hold at least one meeting in a 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.

VIII. Evaluation mechanism :

- (1) The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.
- (2) On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

Annexure B Role and Scope of your Services as independent Director (“Services”)

1. The Services will be in within the Company’s existing business space of Dietary supplements, Sports Nutrition and possible futuristic additional space of Medical Foods and Mainstream Foods.
2. The Services shall be the following:
 - 2.1. Be a part of the Board of Directors of the Company.
 - 2.2. Guide on Financial Benchmarking and Performance Improvement.
 - 2.3. Guide on Risk Management , Corporate Governance and Compliances.
 - 2.4. Provide strategic advice on Organization Structure and Talent Management.
 - 2.5. Provide guidance on acquisition strategy and specific acquisitions.
3. You shall dedicate 1-2 business days a month solely for providing these services to the Company.

