

# MANAPPURAM HEALTH CARE LIMITED

CIN: U24232KL2006PLC029932

## Policy for Appointment of Directors and determining Directors' Independence

### 1. Introduction

Manappuram Health Care Limited (Macare) believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. Towards this, Macare ensures constitution of a Board of Directors with an appropriate composition, size, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively.

Macare recognizes the importance of Independent Directors in achieving the effectiveness of the Board. Macare aims to have an optimum combination of Executive, Non-Executive and Independent Directors.

### 2. Scope and Purpose:

This Policy sets out the guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent directors of the Company.

### 3. Terms and References:

In this Policy, the following terms shall have the following meanings:

- (a) **"Director"** means a director appointed to the Board of a company.
- (b) **"Nomination and Remuneration Committee"** means the committee constituted by Macare's Board in accordance with the provisions of Section 178 of the Companies Act, 2013 ("the Act").
- (c) **"Independent Director"** means a director referred to in sub-section (6) of Section 149 of the Act.

### 4. Policy:

#### Qualifications and Criteria

The Nomination and Remuneration (NR) Committee, and the Board, shall review on an annual basis, appropriate skills, expertise, competence knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company's operations.

In evaluating the suitability of individual Board members, the NR Committee shall take into account many factors, including the following:

- General understanding of the Company's business dynamics, global business and social perspective;
- Educational and professional background;
- Standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively;

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## **The proposed appointee shall also fulfil the following requirements:**

- Shall possess a Director Identification Number or any other identification number prescribed by the Central Government which shall be treated as Director Identification Number for the purposes of the Act;
- Shall not be disqualified under the Act;
- Shall give his written consent to act as a Director;
- Shall endeavour to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;
- Shall abide by the Code of Conduct, if any, established for Directors and Management Personals of the Company;
- Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year and whenever there is a change in the disclosures already made;
- Such other requirements as may be prescribed, from time to time, under the Act and other relevant laws.

The NR shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance with the objective of having a group that best enables the success of the Company's business.

## **Criteria of Independence**

The NR Committee shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.

The criteria of independence shall be as laid down in Act, and other relevant laws, if any, as amended from time to time.

The Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Act.

## **Other Directorships / Committee Memberships**

The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as directors of the Company. The NR Committee shall take into account the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be Public Limited Companies.

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A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.