

Date: 09.01.2021

Dear Mr. G. Rajeswar Rao

Subject: With reference to your appointment as Independent Director (Non-Executive role) for a period of 5 years effective from 24.01.2019 on the Board of Directors of Krishna Institute of Medical Sciences Limited ("KIMS" or "the Company") in accordance with provisions of the Companies Act, 2013 and the relevant rules, circular or notifications issued thereunder, and change in remuneration – Reg.

At the outset, we would like to thank you for joining the Board of Directors of the Company ("the Board"). The Company has benefited immensely from your wealth of experience and the guidance that you have provided.

We write to inform that the Board in its meeting dated 08.01.2021, subject to approval by the shareholders in their next general meeting in terms of the applicable provisions of the Companies Act, 2013, and the relevant rules, circular or notifications issued thereunder ("the Act") has approved change in your remuneration, which is as follows:

1. Remuneration, Fees, Commission or Reimbursement of Expenses

- (i) You shall be entitled to receive an annual amount of Rs 7.00 Lakhs as a fixed remuneration in terms of commission, payable on quarterly basis, effective from the date of appointment.
- (ii) You shall be entitled to receive reimbursement of expenses including travel, boarding and lodging, based on actuals, for participating in the Board, its Committee and other meetings;
- (iii) The Company does not pay sitting fees to its Directors as of now. Payment of sitting fees, if any, in future, shall be subject to the approval of the Board and also subject to the ceilings or conditions as specified in the Act;

A certified true copy of the resolution of the Board pertaining to change in your remuneration is attached herewith as **Annexure – 1**.

Further that, other terms & conditions of your existing appointment which is for a period of 5 year effective **from 24.01.2019 to 23.01.2024**, shall continue and is subject to provisions of applicable laws, including the Act and the Articles of Association of the Company, Listing Agreement, relevant SEBI Regulations, all other applicable laws.

The existing appointment is basis on your declarations/documents provided by you from time to time i.e. DIR-2, MBP-1, DIR-8, declaration of Independence, CV & KYC documents.

2. Fiduciary Duties

Your role and duties will continue to be those as normally required of an Independent and Non-Executive Director under the Companies Act, 2013, relevant SEBI Regulations, and the articles of association of the Company. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and *inter alia* include the following:



Krishna Institute of Medical Sciences Limited

Minister Road, Secunderabad - 500 003, Telangana, India

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CIN : U55101TG1973PLC040558

- (i) You shall act in accordance with the Company's Articles of Association;
- (ii) You shall act diligently and 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;
- (iii) 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;
- (iv) You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates;
- (v) You shall not assign your office as Director and any assignments so made shall be void.

3. Access to Company Information and Independent Advice

You are authorized to seek any information, where necessary, which directors may require from any employee of the Company. Where appropriate, a formal request may be made to the Managing Director and Chief Executive Officer, Chief Financial Officer and Company Secretary or any of the business / functional heads of the Company, to facilitate the process.

4. Training and Development

You will be provided with necessary documents / brochures, reports and internal policies to enable you to familiarize with the Company's procedures and practices. You may also be invited to attend ongoing training and familiarization sessions for Directors.

Periodic presentations will be made at the Board and Board Committee meetings, on business and performance updates of the Company, business strategy and risks involved.

5. Evaluation Process

The performance of individual directors shall be done by the entire Board, excluding the director being evaluated, on an annual basis.

6. Conflict of Interest

It has been noted and acknowledged by us that you may have business interests other than those of the Company. As a condition to your appointment and pursuant to the provisions of the Act, you are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form (Form MBP-1), from time to time.

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 judgement that you are independent, this should be disclosed to both the Chairman and the Company Secretary.

7. Confidentiality

You agree that, both during and after the term of your appointment, you will not use for your own, or for another's benefit, or disclose or permit the disclosure of any confidential information relating to the Company, subsidiary or any group or associate companies of the Company, which you may acquire by virtue of your position as an independent director, including without limitation, any information about the deliberations of the Board. The restriction shall cease to apply to any confidential information which may (other than by reason of the director's breach of this term), become available to the public generally.



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8. Powers and the Company's Responsibilities

You shall not be involved in the day-to-day management or conduct of the Company. You shall not be named in any correspondence, applications, licenses, approvals, compliance reports or otherwise as the person in charge of or responsible for the operations of the Company (including without limitation as "officer who is in default" and "occupiers" or "employers") or compliance by the Company of any laws or licenses or as an "occupier" or an "officer who is in default". The Company shall assert such position in any notice, reply, litigation or other proceedings in which any liability is sought to be attached to you.

9. Liabilities

As per Section 149(12) of the Act, you shall be held liable only in respect of such acts of omission or commission by a company which had occurred with your knowledge, attributable through Board processes, and with your consent or connivance or where you had not acted diligently.

The Company shall reimburse directors for any legal expenses incurred in respect of those liabilities that the director may incur as a director of the Company, provided that there is no fraud or misrepresentation on the director's part, except that to the extent that any claim under the insurance is invoked, any such expenses shall be paid to the Director under the terms of the Insurance.

10. Indemnity

You are granted an indemnity from the Company in respect of liabilities incurred as a result of your office, to the extent permitted by law including the Act.

11. Provision for Directors and Officers Insurance, if any

The Company has a Directors and Officers Insurance Policy in place, which shall also be extended to you as an Independent and Non-Executive Director. The details of the same shall be shared with you separately.

12. Code of Conduct

During the tenure of your appointment, we trust that you will comply with provisions of the Code of Conduct for Directors proposed to be adopted by the Board. We have attached a copy of the same for your reference as **Annexure – 2**.

As Independent Director, you are also required to comply with the Code for Independent Directors as contained in Schedule IV of the Companies Act, 2013. We have attached a copy of the same for your reference as **Annexure - 3**.

We are certain that you will uphold the interests of the Company and fulfill your fiduciary obligations. We further trust that you will act in accordance with the highest standards of honesty, integrity, fairness and good faith and due diligence in performing your duties.



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13. List of actions which should be avoided while functioning as an Independent and Non-Executive Director:

- (i) not allow any extraneous considerations that will vitiate your exercise of objective independent judgment, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- (ii) not abuse your 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;
- (iii) not to unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board;
- (iv) 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;
- (v) not enter into insider trading of securities;
- (vi) not put yourself in a position where you have or may have an actual or potential conflict of interest with the Company and, should such an occasion arise, you should discuss the matter with the Board or the Company Secretary immediately;
- (vii) not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates;
- (viii) not assign your office and any assignment so made shall be void;

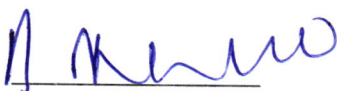
14. Governing Law

The existing appointment and the terms are governed by the laws of India.

We request you to confirm and acknowledge this letter as Independent and Non-Executive Director by signing a copy of this letter.

Yours Sincerely,

For Krishna Institute of Medical Sciences Limited



Dr. B. Bhaskar Rao
Managing Director

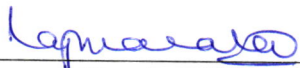


Place: Hyderabad

Date: 09.01.2021

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I consent to accept my appointment as Independent and Non-Executive Director of Krishna Institute of Medical Sciences Limited, as per the terms set out above.



Name of Director: G. Rajeswara Rao DIN: 05339318

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CERTIFIED TRUE EXTRACTS OF THE RESOLUTION APPROVED BY THE BOARD OF DIRECTORS OF KRISHNA INSTITUTE OF MEDICAL SCIENCES LIMITED IN THE 125TH BOARD MEETING HELD AT 3.30 PM AND CONCLUDED AT 5.00 PM ON FRIDAY, 8TH JANUARY, 2021 AT 4TH FLOOR, BLOCK III, KIMS HOSPITAL, #1-8-31/1, MINISTERS ROAD, SECUNDERABAD – 500003

Item No. III (5)

To consider and approve a fixed remuneration in terms of Commission a sum of Rs. 7 Lakhs per annum to Mr. G. Rajeswara Rao as recommended by Nomination & Remuneration Committee.

“RESOLVED THAT subject to approval of the shareholders of the Company and pursuant to the provisions of Section 197, 198 read with Schedule IV, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, to the extent notified and as amended, and the rules and regulations made thereunder (collectively referred to as the “Companies Act”), Mr. G. Rajeswara Rao, Independent Director, be paid a fixed remuneration in terms of commission of Rs. 7 Lakhs per annum payable on quarterly basis.

RESOLVED FURTHER THAT Mr. G. Rajeswara Rao will not be eligible for any sitting fee.

RESOLVED FURTHER THAT Dr. B. Bhaskar Rao, Managing Director, Dr. Abhinay Bollineni, Director & CEO and Mr. Uma Shankar Mantha, Company Secretary be and are hereby severally authorised to file necessary forms with the Registrar of Companies and do all such acts, deeds, matters and things as may be required to be done to give effect to the above resolution.”

//certified true copy//

For Krishna Institute of Medical Sciences limited

Uma Shankar Mantha
Company Secretary

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