



**SHANTI  
GOLD**

**International Ltd.**

CIN: U74999MH2013PLC249748

## **TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS**

### **SHANTI GOLD INTERNATIONAL LIMITED**

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## **TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS**

### **1. TERMS OF APPOINTMENT**

The term of appointment of an Independent Director (ID) of the Company is for a period of not more than 5 years from the date of his/ her appointment. Independent Director is not liable to retire by rotation.

Appointment of every independent director shall be approved by members of Company through special resolution.

An Independent Directors will serve for not more than two terms of five years each on the Board of the Company subject to the maximum tenure of ten years as prescribed under the Companies Act, 2013.

Appointment for the second term as an Independent Director shall be based on the recommendation of the Nominations & Remuneration Committee of the Board and subject to approval of the Board of Directors (the 'Board') and of the Shareholders by way of special resolution. The re-appointment would be considered by the Board based on evaluation of the performance and further subject to satisfying the requisite criteria of Independence as specified in the Companies Act, 2013.

The appointment is also subject to the maximum permissible Directorships that one can hold as per the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The term Independent Director should be construed as defined under the Companies Act, 2013.

### **2. ROLES AND DUTIES**

The roles and duties of the Independent Director will be those as prescribed under schedule IV and Section 166 the Companies Act, 2013 including Rules and Regulations made there under, Guidelines/ Circulars issued by SEBI/ Exchanges, as modified, amended or substituted from time to time and as may be applicable.

There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and are inter-alia as under:

- Director 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 and all its stakeholders.
- Director shall discharge their duties with due and reasonable care, skill and diligence.
- Director shall not involve in a situation in which they may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- Director shall not achieve or attempt to achieve any undue gain or advantage either to themselves or to their relatives, partners or associates.
- Director shall not unfairly obstruct the functioning of the Board or any Committee of the Board;
- Director shall act within their authority and assist in protecting the legitimate interest of the Company, its shareholders, its employees and all other stakeholders;

- Director shall abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Companies Act, 2013.
- Director shall not disclose any confidential/privileged information of the Company, unless such disclosure is expressly approved by the Board or required by law;

In addition to their role as Directors, the Board may nominate Independent Director as the Chairman/Member of other Board Committees, as it may deem fit from time to time.

### **3. CODE OF CONDUCT**

As Independent Directors of the Company, they agree to comply with the Code of Conduct for Senior Management and Directors. Unless specifically authorised by the Company, they shall not disclose Company and business information to constituencies such as the media, the financial community, employees, shareholders, agents, franchisees, dealers, distributors and importers. Their obligation of confidentiality shall survive cessation of their respective directorships with the Company. The provisions of both, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the Code of Conduct on Prevention of Insider Trading, prohibiting disclosure or use of unpublished price sensitive information, would be applicable to the Independent Directors.

Additionally, they shall not participate in any business activity which might impede the application of their independent judgment in the best interest of the Company. All Directors are required to sign a confirmation of acceptance of the Code of Conduct as adopted by the Board on annual basis.

### **4. DIRECTORS' FEES/ REMUNERATION**

A sitting fee will be paid for attending each meeting of the board as well as the Committee Meeting attended, as may be decided by the Board from time to time in accordance with the limits prescribed under the Companies Act, 2013 and rules made thereunder.

In addition to the remuneration described above, the Company shall reimburse actual cost incurred for travel, hotel and other incidental expenses incurred by the directors for participation in the meeting of the Board and Committees thereof in the performance of their role and duties.

### **5. CONFLICT OF INTEREST**

It is accepted and acknowledged that the appointed IDs may have business interests other than those of the Company. Considering the same, they are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of their appointment.

In the event that 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 judgments that they are independent, this should be disclosed to Company Secretary.

### **6. CONFIDENTIALITY**

All information acquired during the appointment is confidential to the Company and the Independent Director agree that both during and after the term of appointment, he will not use

for his 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 he may acquire by virtue of his 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 his term), become available to the public generally.

## **7. TERMINATION**

Independent Directors may resign from their position at any time and if they wish to do so, they are requested to serve a reasonable written notice on the Board.

Continuation of their appointment is contingent on getting approved by the members in accordance with provisions of Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") framed thereunder and the Articles of Association of the Company, from time to time in force.

Their appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company from time to time in force.

## **8. PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS**

The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

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

## **9. INDEMNITY**

The directors are granted an indemnity from the Company in respect of liabilities incurred as a result of their office, to the extent permitted by law.

## **10. PUBLICATION OF LETTER**

In line with the provisions of Schedule IV to the Act, the Company will post the terms and conditions of the appointment on the Company's website.

## **11. GOVERNING LAW**

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

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