



SUNGOLD
CAPITAL LIMITED

TERMS AND CONDITIONS OF APPOINTMENT
OF INDEPENDENT DIRECTORS OF THE
COMPANY

*(IN ACCORDANCE WITH THE REQUIREMENTS OF SCHEDULE IV
TO THE COMPANIES ACT, 2013)*

SUNGOLD CAPITAL LIMITED

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

The terms and Conditions of the appointment, which shall, in any event be subject to the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and the Articles of Association of the Company, are set out below. The broad terms and conditions of their appointment as Independent Directors are reproduced hereunder:

1. TERMS OF APPOINTMENT

The appointment of an Independent Director can be made subject to the compliance of the Companies Act, 2013 ("Act") and rule made thereunder, provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Articles of Association of the Bank and any other circular and/or guidelines issued by the Ministry of Corporate Affairs, SEBI and RBI from time to time in this regard.

The Independent Director shall satisfy the criteria specified under section 149(6) of the Act and Regulation 16 of the SEBI Listing Regulations.

The Independent Director shall submit a declaration to the company at the beginning of every Financial Year or whenever there is change in circumstances which may affect their status as an Independent Director under Section 149 (7) of the Act and Regulation 25(8) of the SEBI Listing Regulations stating that they meet the criteria of Independence, as provided under Section 149 of the Act, and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

So long as the Director is an Independent Director of the company, the number of companies in which they can hold office as a Director, or a chairman or committee member shall not exceed the limit stipulated under the Act and SEBI Listing Regulations.

So long as they are an Independent Director of the Bank, they will ensure that they do not get disqualified to act as a Director under Section 164 of the Act or debarred from holding office of director by virtue of order of SEBI or by any such other authority.

The Independent Director shall not be liable to retire by rotation.

The independent director shall hold office up to a period of such years as may be approved by the Board/Shareholders, as applicable, or such other period as may be prescribed by Act and SEBI Listing Regulations, whichever is earlier.

The Independent Director shall be eligible for re-appointment, subject to approval of members of the company pursuant to provisions of The Act.

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2. COMMITTEES:

- 2.1. During the Appointment, the Independent Director may be required to serve on one or more of the committees of the Board, i.e. Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility and or such other Committees, as the Board may decide.
- 2.2. The Independent Director is an independent non-executive director and will be identified as such in the annual report and other documentation of the Company. If circumstances change, and he/she believes that his/her independence will be in doubt, Independent Director should discuss the same with the Board of the Company as soon as practicable.

3. DUTIES AND LIABILITIES:

- 3.1. The Independent Director will perform his/her fiduciary duties in a responsible manner and his/her general legal responsibilities to the Company will be at par with a non-executive director.
- 3.2. The Independent Director shall act in accordance with the Articles of Association of the Company and while discharging his/her duties, comply with the requirements of Section 166 and Schedule IV to the Companies Act, 2013 ("the Act").
- 3.3. The Independent Director will be held liable only in respect of such acts of omission or commission by the Company which have occurred with his/her knowledge, attributable through Board processes, and with his/her consent or where Independent Director have not acted diligently.

4. CODE FOR INDEPENDENT DIRECTORS:

- 4.1. The Company has relied on the declaration of the Independent Director that he / she meets the criteria of independence as provided in Section 149(6) of the Act
- 4.2. The Independent Director will be required to abide by the guidelines as to professional conduct for independent directors as set out in Section 149(8) read with Schedule IV to the Act.

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5. RESTRICTIONS:

Save and except Directorships currently held by the Independent Director, during the term of Appointment, the Independent Directors are expected not to take up directorship in any company (whether in India or abroad) engaged in the same or similar businesses as that of the

Company or in a company, business or undertaking of which competes or is likely to compete with the Company or which could otherwise potentially give rise to a conflict with

his/her duties with the Company as an independent director. In the event that the Independent Director becomes aware of any potential conflicts of interest, or in case of doubt, he / she should consult the Board of the Company as soon as practicable.

6. TIME COMMITMENT:

While accepting the appointment, the Independent Director confirms that he / she will be able to allocate sufficient time to perform his/her duties as a director and attend meetings of the Board or any committee thereof. In addition to such attendances, Independent Director will be expected to devote appropriate preparation time ahead of each meeting.

7. TRAINING AND DEVELOPMENT:

- 7.1. The Independent Director will be invited to attend ongoing training and familiarization sessions, including site visits, as and when conducted for Directors.
- 7.2. The Board members are provided with necessary documents / brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices.
- 7.3. Periodic presentations are made at the Board and Committee meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved.
- 7.4. Monthly / Quarterly updates on relevant statutory changes and landmark judicial pronouncements encompassing important laws are regularly circulated to Directors.

8. EVALUATION PROCESS:

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

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9. REMUNERATION:

In consideration of the Independent Directors' services, Independent Directors will be paid sitting fee as may be decided by the Board of directors from time to time.

10. EXPENSES:

In addition to the sitting fee stated in the preceding paragraph, the Company will reimburse Independent Director, or bear and pay, all travel, accommodation or other expenses incurred as a result of him/her carrying out his/her duties as a director. The Independent Director may, at the Company's expense, seek independent legal or other professional advice where necessary, to perform his/her duties and will be entitled to reimbursement of costs incurred in seeking such advice. In these circumstances, Independent Director should discuss the issues concerned with the Chairman of the Company in advance.

11. CONFIDENTIALITY:

The Independent Director agrees that both during and after the term of Appointment, Independent Directors will not use for his/her own, or for another's benefit, or disclose or permit the disclosure of any confidential information relating to the Company, or any subsidiary or any group or associate companies of the Company, which he/she may acquire by virtue of his/her 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.

12. CONFLICT OF INTEREST

It is expected that Independent Director shall not act in a manner or engage in such activities which may give rise to conflict of interest. In the event circumstances seems 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 company.

13. GENERAL

The appointment of Independent Directors and any non-contractual obligations arising out thereof shall be governed by and be construed in accordance with, the laws of India
