



SONA HI SONA JEWELLERS (GUJARAT) LIMITED

Terms and Conditions of Appointment / Re- appointment of Independent Directors

Terms and Conditions of Appointment / Re- appointment of Independent Directors

Date: _____

To,
(Insert Name of Director)
(Insert Address)

Dear [●],

Sub: Your appointment/ re-appointment as an Independent Director on the Board of Sona Hi Sona Jewellers (Gujarat) Limited

I am writing to confirm our decision to appoint you on the Board of Directors of Sona Hi Sona Jewellers (Gujarat) Limited (hereinafter referred to as "Company") from [●]. This letter of appointment sets out the terms and conditions covering your appointment which are as follows:

1. Appointment

- 1.1 You will be appointed as Non-Executive Independent Director on the Board of Directors of the Company w.e.f. [●]. Your appointment is subject to the approval by the shareholders as per the provisions of the Companies Act, 2013. Your appointment is also subject to the maximum permissible Directorship that one can hold as per the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 1.2 The term Independent Director should be construed as defined under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 1.3 The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly, the Independent Directors will serve for not more than two terms of five years each on the Board of the Company. The Company is at liberty to disengage Non Executive Independent Director earlier subject to compliance of relevant provisions of Companies Act, 2013.

2. Committees

The Board of Directors (the Board) may, if it deems fit, invite you for being appointed on one or more existing Board Committee or any such Committee that is set up in the future. Your appointment on such Committee(s) will be subject to the applicable regulations.

3. Time Commitment

- 3.1 As a Non-Executive Director you are expected to bring objectivity and Independence of view to the Board's discussions and to help provide the Board with effective leadership in relation to the Company's strategy, performance and risk management as well as ensuring high standards of financial probity and corporate governance. You will be expected to attend Board, Board Committees to which you may be appointed and Shareholders meetings and to devote such time to your duties, as appropriate for you to discharge your duties effectively.
- 3.2 By accepting this appointment, you confirm that you are able to allocate sufficient time to meet the expectations from your role to the satisfaction of the Board.

4. Role and Duties

Your role and duties will be those normally required of a Non-Executive Independent Director under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and are as under:

- I. You shall act in accordance with the Company's Article of Association.
- II. 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.
- III. You shall discharge your duties with due and reasonable care, skill and diligence.
- IV. 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. Please refer to Clause 6 for full explanation on conflict of interest.
- V. You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.

The Non-Executive Independent Directors are also required to abide by the provisions of "Code for Independent Directors" as provided in Schedule IV of the Companies Act, 2013

5. Status of Appointment:

You will not be an employee of the Company and this letter shall not constitute a contract of employment. You will be paid such remuneration by way of sitting fees for Board meetings.

6. Conflict of Interest

- 6.1 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.
- 6.2 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 both the Chairman and the Secretary.

7. Confidentiality:

All information acquired during your appointment is confidential to Company should not be released, either during your appointment or following termination [by whatever means] to third parties without prior clearance from the Chairman unless required by law or by the rules of any stock exchanges or regulatory body. On reasonable request, you shall surrender any documents and other materials made available to you by the Company.

Your attention is also drawn to the requirements under the applicable regulations and the Code of Fair Disclosure which concern the disclosure of price sensitive information and dealing in the securities of the Company. Consequently you should avoid making any statements or performing any transactions that might risk a breach of these requirements without prior clearance from the Chairman or the Secretary.

8. Insurance

The Company has Directors' and Officers' liability insurance and it is intended that Company will assume and maintain such cover for the full term of your appointment.

9. Disclosure of Interest

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 not later than when the transaction or arrangement comes up at a Board Meeting so that the minutes may record your interest appropriately and our records are updated. A general notice that you are interested in any contracts with a particular person, firm or company is acceptable.

10. Termination

- a. You may resign from your position at any time and should you wish to do so, you are requested to serve a reasonable written notice on the Board.
- b. Continuation of your appointment is contingent on your getting re-elected by the shareholders in accordance with the provisions of Companies Act, 2013 and the Articles of Association of the Company, from time to time in force. You will not be entitled to compensation, if the shareholders do not re-elect you at any time.
- c. Your appointment may also be terminated in accordance with the provisions of the Articles of Associations of the Company from time to time in force.

11. Governing Law

This agreement is governed by and will be interpreted in accordance with Indian Law and your engagement shall be subject to the jurisdiction of Ahmedabad courts.

If you are willing to accept these terms of appointment relating to your appointment as a non executive Independent Director of the Company, kindly confirm your acceptance of these terms by signing and returning to us the enclosed copy of this letter.

Yours sincerely,

**For and on behalf of
Sona Hi Sona Jewellers (Gujarat) Limited**

Chairman of Board

Agreed and Accepted by,

(Insert Name of Director)