



# **SANGANI HOSPITALS LIMITED**

## **APPOINTMENT OF INDEPENDENT DIRECTOR POLICY**

## **1. Introduction:**

This Code is a guide to Appointment for Independent Directors of Sangani Hospitals Limited. Adherence to these standards by Independent Directors and fulfillment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and the Company

## **2. Independent Director**

'Independent Director' shall mean a Non-Executive Director other than a Nominee Director of the Company as per section 149 of the Companies Act 2013 read with rules, if any, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any amendment made thereof from time to time

## **3. Manner of appointment:**

- a. Appointment process of Independent Directors shall be independent of the company management. While selecting Independent Directors, the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board to enable the Board to discharge its functions and duties effectively.
- b. The appointment of Independent Director(s) of the company shall be approved at the meeting of the shareholders.
- c. The explanatory statement attached to the notice of the meeting for approving the appointment of Independent Director shall include a statement that in the opinion of the Board, the Independent Director proposed to be appointed fulfills the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.
- d. The appointment of Independent Directors shall be formalized through a letter of appointment, which shall set out:
  - The term of appointment
  - The expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;
  - The fiduciary duties that come with such an appointment along with accompanying liabilities
  - Provision for Directors and Officers (D and O) insurance, if any
  - The Code of Business Ethics that the company expects its directors and employees to follow
  - The list of actions that a director should not do while functioning as such in the company; and
  - The remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.
- e. The terms and conditions of appointment of Independent Directors shall be open for inspection at the registered office of the company by any member during normal business hours

- f. The terms and conditions of appointment of Independent Directors shall also be posted on the company's website.

**4. Re-appointment:**

Subject to the provisions of section 152, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company, but shall be eligible for reappointment on passing of a special resolution by the company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after the expiration of three years of ceasing to become an Independent Director, provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the company in any other capacity, either directly or indirectly.

The re-appointment of Independent Director shall be on the basis of report of performance evaluation.