



## **TERMS & CONDITION TO APPOINTMENT OF AN INDEPENDENT DIRECTOR**

### Appointment

Appointment is subject to the provisions of the Companies Act, 2013, Listing Agreement, and other rules, regulations and circulars, as amended from time to time. Accordingly, the Company has adopted the provisions with respect to appointment, maximum permissible Directorships that one can hold and tenure of Independent Directors which is consistent with the Companies Act, 2013, the Listing Agreement.

Independent Director's appointment shall terminate immediately without any entitlement to compensation in respect of any loss (including but not limited to loss of future fees).

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

### Committees

Independent Director will be nominated to serve as a Member/Chairman of the various Committees as and when required by the company with the consent of the Independent Director.

The Board may change the terms of reference of the Committee or may reconstitute the composition of any/all committees, from time to time.

The Board of Directors may, if it deems fit, invite ID (Independent Director) for being appointed on one or more existing Board Committees or any such Committee(s) that is set up in the future.

ID appointment on such Committee(s) will be subject to the applicable laws, rules and regulations.

There may be a separate meeting of IDs with the Auditors of the Company without the attendance of non IDs and members of the Management.

ID shall serve on the Committee with the same diligence and commitment as a representative of the Board to ensure its working and proper functioning not only in accordance with law, but in keeping with the expectations of the external stakeholders. Your membership to the Board Committee shall co-exist with the term as Independent Director and shall automatically come to an end at the cessation of your term or revocation of this offer, whichever is earlier.

### Time Commitment

Non-Executive Director are requested to endeavor to bring objectivity and independence of view to the Board's discussions and decision making and also to help the Board in taking effective and informed decisions in relation to the Company's strategy, planning, performance appraisal, risk management, governance, etc. and also in ensuring highest standards of financial integrity and corporate governance.

"The Board meets at least four times in a year. The Committee Meetings shall be held at such intervals as may be required. IDs are requested to attend Meetings of the Board and Committees on which IDs are a Member or may be appointed as Member. IDs are also requested to attend General Meetings, meet occasionally with major shareholders, management, staff and professional advisers and to devote such time to your duties, as appropriate for you to discharge your duties effectively and independently.

By accepting appointment, ID should confirm that they would be able to allocate sufficient time as is prudent and necessary for the proper performance of the role, duties and responsibilities as an ID.

#### Role and Duties

Independent Directors have the same general legal responsibilities to the company as any other Director. The Board as a whole is collectively responsible for the success of the Company. The Board:

- Sets the Company's values and standards and ensure that its obligations to its shareholders and others are understood and met.
- Provides entrepreneurial leadership to the Company within a framework of prudent and effective controls which enable risk to be assessed and managed,
- Sets the Company's strategic aims, ensures that the necessary financial and human resources are in place for the Company to meet its objectives, and reviews management performance.

IDs role and duties will be those as defined under the Companies Act, 2013 and the Listing agreement as may be amended from time to time.

In addition, as an ID of Suraj Limited, IDs will have to comply with the provisions of the all applicable rules, regulations and circulars prescribed under the act.

#### Familiarisation and Continuing Education

The Company shall, wherever required, support IDs to continually update their skills and knowledge and improve their familiarity with the Company and its business, growth plans, the peculiarities of the industry in which the Company operates, its goals and expectations and long terms, plans and objectives. The Company will arrange/fund for training on all matters which are common to the whole Board and/or in the circumstances where there are changes/amendments in the laws/rules/regulations applicable to the Company.

#### Independent Professional Advice

There may be occasions when IDs may need professional advice in furtherance of your duties as a Director and it will be appropriate for you to consult independent advisers at the Company's expense.

#### Remuneration

The Commission and sitting fees would be payable for attending the board meeting and/or committee meeting as per the provisions of the Companies Act, 2013, and other rules, regulations and circulars prescribed under the act as amended from time to time.

Further, the Company may pay or reimburse to ID such fair and reasonable expenditure as may have been incurred by them while performing their role as an Independent Director of the Company.

#### 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.

#### Termination

Directorship on the Board shall terminate or cease in accordance with the applicable Provisions of the Companies Act 2013, and the Listing Agreement, and other rules, regulations and circulars prescribed under the act as amended from time to time.

IDs may resign from their position by giving a notice in writing to the Company stating the reasons for resignation. The resignation shall take effect from the date on which the notice is received by the Company or the date, if any specified by them in the notice, whichever is later.

If at any stage during the term, there is a change that may affect ID's status as an Independent Director as envisaged in Section 149 (6) of the Companies Act 2013 or if applicable, they fail to meet the criteria for Independence under the provisions of Clause 49 of the Listing Agreement, they agree to promptly submit their resignation to the Company with effect from the date of such change.

#### Co-oderation

In the event of any claim or litigation against the Company, based upon any alleged conduct, act or omission on ID part during their term, they agree to render all reasonable assistance and cooperation to the Company and provide such assistance and documents as are necessary and reasonably requested by the Company or any regulatory/statutory authority.

#### Confidentiality

All information acquired during IDs appointment is confidential to the Company and should not be released, either during their appointment or following termination (by whatever means), to third parties without prior clearance from the Chairperson.

IDs attention is also drawn to the requirements under both legislation and regulation as to the disclosure of price sensitive information. Consequently they should avoid making any statements that might risk a breach of these requirements without prior clearance from the Chairperson or Company Secretary.

#### Governing Law

This agreement is governed by and will be interpreted in accordance with Indian law and IDs engagement shall be subject to the jurisdiction of the applicable courts.

This terms and condition is applicable to all Independent Directors who are appointed in the company.

**For, Suraj Limited**

**SD/-  
ASHOK SHAH  
CHAIRMAN & CFO  
DIN:00254255**