

SURAKSHA ASSET RECONSTRUCTION LIMITED¹

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

- 1) Introduction -** The following are the terms and conditions for appointment of Independent Directors (IDs) of Suraksha Asset Reconstruction Limited ('Company').
- 2) Tenure -**
 - 2.1 The term of appointment of an ID is for a period of 5 (five) consecutive years from the date of his appointment.
 - 2.2 The director shall be eligible for re-appointed for a second consecutive term of 5 (five years) on passing of special resolution and disclosure in the Board report.
 - 2.3 No ID shall hold office for more than 2 (two) consecutive terms, but such Independent Director shall be eligible for appointment after the expiration of 3 (three) years of ceasing to become an ID.
 - 2.4 The ID shall not be liable to retire by rotation.
- 3) Duties**
 - 3.1 The ID shall ensure his independence as per the provisions of the Companies Act, 2013.
 - 3.2 The ID shall balance the interest of all stakeholders.
 - 3.3 The ID shall bring objectivity to all discussions of the Board and the Committees whereof he is a member.
 - 3.4 The ID shall review compliances with applicable laws and measures taken for preventing instances of non-compliances, if any.
 - 3.5 The ID shall keep himself abreast of business matters of the company and update his skills and knowledge from time to time.
 - 3.6 The ID shall devote sufficient time and attention to make informed and balanced decision-making.
 - 3.7 The ID shall maintain all information acquired during the course of his appointment confidential and he shall not disclose it to third parties.
 - 3.8 The ID shall uphold the standard for professional conduct prescribed in Section 149(8) and Schedule IV of the Companies Act, 2013.
 - 3.9 The ID shall also be responsible for performing the duties prescribed in Section 166 of the Companies Act, 2013.
 - 3.10 The ID is responsible for giving timely and correct disclosures as per the requirements of Companies Act, 2013 and other applicable statutes.
 - 3.11 The ID shall ensure that his directorships are within the threshold prescribed under the Companies Act, 2013 and other applicable statutes.

¹ Name of the Company changed pursuant to conversion of the Company into a public limited company and issuance of fresh certificate of incorporation dated May 3, 2019 by Ministry of Corporate Affairs.

4) Remuneration-

- 4.1 The ID is not employee of the Company he will be paid remuneration by way of sitting fees.
- 4.2 The ID shall be entitled to sitting fee of INR. 35,000/- per meeting of the Board and INR. 20,000/- per meeting of the Committee whereof he is a member. The same may be reviewed from time to time.
- 4.3 The Company shall reimburse the ID for all out of pocket expenses necessarily incurred in carrying out the duties towards the Company.

5) Performance evaluation

- 5.1 The performance evaluation of the ID will be done by the entire Board, excluding the ID being evaluated.

6) Resignation

- 4.1 The ID can resign anytime by giving a reasonable notice.
- 4.2 Re-appointment of an ID is also subject to approval by the members.
- 4.3 The directorship can also cease in accordance with the provisions of the Companies Act, 2013 or those which are laid in the Company's Code of Conduct or Articles of Association.