

Sri Lakshmi Saraswathi Textiles (Arni) Limited

"CIN : L171111TN1964PLC005183"

The terms and conditions of appointment of the Independent Directors of the Company in accordance with the requirements of Schedule IV to the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015

Members of our Company have re-appointed Sri J M Grover and Sri R.Sambasivan as Independent Directors of the Company for a second term of five consecutive years w.e.f. 01st April 2019 upto 31st March 2024, vide Postal Ballot which concluded on February 28, 2019.

Terms and Conditions of appointment of Independent Directors:

I. Term:

- A. Sri J M Grover
26-B, ARYAMAN BUNGLOWS
NEAR RAILWAY CROSSING, SHILAJ
AMEDABAD- 380 059
- B. Sri. R.Sambasivan
No.123/124 Ramakrishna
Mutt Road, Rajah Annamalaipuram
CHENNAI 600 028

The Re-Appointment is for the period from 01st April 2019 to 31st March 2024

II. Other Terms and Conditions

Appointment

The re-appointment is for a period of five years up to 31.03.2024, keeping in view with the provision of Companies Act 2013. This tenure is subject to their meeting the criteria for being an Independent Directors and not being disqualified to be a Director under the applicable regulations.

Role on the Board

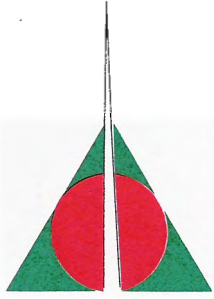
Independent Directors are expected to provide their expertise and experience inter alia in the fields of strategic planning, management, technical advice and corporate governance including Board best practice, in the functioning of the Board and the committees of the Board they may be nominated. In additions to routine Board Meetings they should allow time for committee meetings, preparatory work and travel, and ensure that they are in a position to make the necessary overall time commitment.



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Regd. Off. : 16, Krishnama Road, Nungambakkam, Chennai - 600 034. India
Phone: 91-44-28277344 / 28270548 Fax: 91-44-28260950
E-mail : slst@vsnl.com Web : www.slstindia.com





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They may be nominated on one or more committees of the Board and in such event they will be provided with the relevant Committee's terms of reference and any specific responsibilities.

Duties and Liabilities

The duties and liabilities that come with their appointment would be as per the applicable laws, Company policies and the Articles of Association of the Company.

The laws that currently govern the duties and liabilities of an Independent Director are the Companies Act, 2013 (including Rules thereunder) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, some of which are specifically outlined below.

They will follow "the Code for Independent Director" as per schedule IV of the Companies Act, 2013 and the code for conduct for the Board of Directors of the Company.

Independent Directors are required to make disclosure of their interest as per the requirements of Section 184 of the Companies Act, 2013.

In case they so desire, Company would provide support to help them familiarize themselves with the relevant duties and obligations.

Independence

The Board of Directors of the Company inter alia has given due consideration to their declaration of being qualified as 'Independent' in accordance with the provisions of Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Independent Directors are expected to continue to be qualified as 'Independent' during their tenure and provide periodic declaration to the effect as required by regulations. They will be identified as 'Independent Director' in the annual report and other documents and publications of the Company. If circumstances change and they believe it may not be possible for them to retain their independence they should discuss this with the Board of Directors as soon as practicable.

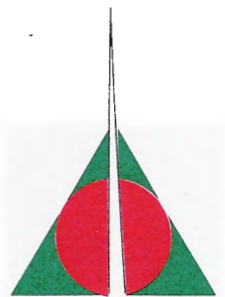
Evaluation Processes

Independent Directors performance evaluation shall be done by the Board of Directors annually, without their participation. They will participate in reviewing the performance of non-independent directors and the Board as a whole, and performance of other Independent Directors.



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Code of Business Conduct.

Independent Directors will follow the code of conduct of the Board of Directors of the Company and furnish an annual affirmation of the same.

Independent Directors will apply the highest standards of confidentiality, and not disclose to any person or company (whether during the course of the tenure as Independent Director or at any time after its cessation), any confidential information concerning the company, except as permitted by law or with prior clearance from the Board of Directors.

Prohibition on Insider Trading

Independent Directors will follow the general principle of insider information and the requirements under the Companies Act, 2013 and Securities and Exchange Board of India Regulations, which inter-alia requires that price-sensitive information is not used or transmitted and maintained securely. Independent Directors should not make any statements that might risk a breach of these requirements without prior clearance from the Board of Directors.

Remuneration

Independent Directors will be entitled to remuneration in accordance with the criteria, as approved by the Board of Directors on the recommendation by the Nomination and Remuneration Committee, within the overall limits approved by the shareholders and applicable legal provisions. Independent Directors will also be entitled to fee for attending the meetings of the Board or Committee thereof either personally or through Video Conference or other audio visual means or for any other purpose whatsoever as may be decided by the Board of Directors. The remuneration and fee payable shall be subject to applicable tax deduction at source.

In addition to the above, Independent Directors will be entitled to reimbursement of all expenses for participation in the Board and other meetings.

Indemnity

Independent Directors are granted an indemnity from the Company in respect of liabilities incurred as a result of their office, to the extent permitted by law.

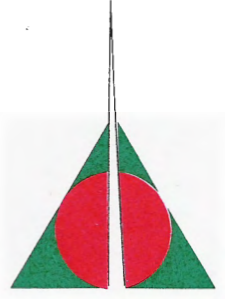
General

All the terms as mentioned above including their appointment, remuneration, professional conduct, role and functions, duties and evaluation shall be governed by the Companies Act, 2013 and Rules made thereunder and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.



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Independent Directors appointment and any non-contractual obligations arising out of or in connection with this letter are governed by and shall be construed in accordance with the laws of India and subject to the exclusive jurisdiction of the Courts of India.

Publication of Letter

In line with the provisions of Schedule IV to the Act, the letter of appointment will be open for inspection by any member and the Company will also post the terms and conditions of the appointment on the Company's website www.slstindia.com

Thanking you

Yours faithfully
for **SRI LAKSHMI SARASWATHI
TEXTILES (ARNI) LIMITED**


**(BALAKRISHNA S)
MANAGING DIRECTOR**

