

Surat Textile Mills Limited

FAMILIARIZATION PROGRAMMES FOR INDEPENDENT DIRECTORS

1. Preamble

Clause 49(II)(B)(7) of the Listing Agreement with the Stock Exchanges inter-alia stipulates that the Company shall familiarize the independent directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes.

2. Initial familiarization :

Surat Textile Mills Limited has put in place a system to familiarise the independent directors about the Company, its products, business and the on-going events relating to the Company.

Independent directors of the Company are made aware of their role, responsibilities and liabilities at the time of their appointment/re-appointment, through a formal letter of appointment, which also stipulates various terms and conditions of their engagement. They are also made aware of Company's board and board committee framework, policies and procedures.

3. Ongoing familiarization :

Independent directors of the Company are also familiarized with the Company's operations, set up, market shares, governance, internal control processes and other relevant information pertaining to the Company's business and the Company will continue to follow the same in order to enable the Independent Directors to understand and get updated on the business and operations of the Company on a continuous basis.

The Independent Directors are advised from time to time, of the compliances required from him/her under the Companies Act, 2013, Clause 49 of the Listing Agreement and other relevant regulations and requisite affirmations are taken with respect to the same.

Independent Directors have the freedom to interact with the Company's management and the senior leadership team of the Company. Presentations are made regularly to the Board of Directors / Audit Committee (AC) (minutes of AC and other Board Committees are circulated to the Board). This helps them to understand the Company's strategy, business model, operations, products, markets, organization structure, facilities, risk management and such other areas

Important stock exchange announcements and press releases if any, for various news related to the Company are also forwarded to the directors from time-to-time.

Plant visits are arranged for independent directors from time-to-time for better understanding of the Company's business.

Independent Directors are also free to meet separately without the presence of any management personnel and their meetings are conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company.

Each member of the board, including the independent directors, have been given complete access to any information relating to the Company, whenever they so request.

4. Disclosure /Amendment :

This Policy shall be disclosed on the website of the Company and a web link thereto, shall be provided in the Annual Report of the Company.

The right to interpret/amend/modify this Policy vests with the Board of Directors of the Company.