

SARUP INDUSTRIES LIMITED

“Terms and Conditions of Appointment of Independent Directors”

The terms and conditions of appointment of Independent Directors of Sarup Industries Limited (“the Company”) are subject to the applicable provisions of the Companies Act, 2013 (“the Act”) and Clause 49 of the Listing Agreement, as amended from time to time, the Articles of Association of the Company, Company’s Model Code of Conduct for Board of Directors and its Code of Conduct for Prevention of Insider Trading.

The following are the details of Independent Directors of the Company.

S.No	Full Name of Director (s)	DIN/PAN	Address	Designation	Date of Appointment
1	SURAT SINGH BAJWA	00377832	1/60 Garden Colony, Jalandhar, 144003, Punjab, INDIA	Director	30/07/2003
2	ASHWANI ARORA	01809365	85, GURDEV NAGAR, JALANDHAR, 144001, Punjab, INDIA	Director	28/09/2007
3	GURENDRA SINGH BEDI	02442047	D- 303, Nagarjuna Aparts, Mayur Vihar- I, A- 1chilla Regulator, New Delhi, 110096, Delhi,	Director	22/09/1995
4	SURINDER SINGH CHEEMA	07273630	H No 38/4 Friends colony, Vill. Kingra, Jalandhar, 144001, Punjab, INDIA	Director	13/08/2015

The major terms and conditions of appointment of the above Independent Directors are as under:

1. Term of Appointment:

The appointment of Independent Directors are for a period of 5 (five) years from the date of their respective appointment. The Independent Directors are not liable to retire by rotation. Re-appointment at the end of their tenure shall be considered by the Board of Directors (“the Board) based on the recommendation of the Nomination and Remuneration Committee and the performance evaluation process, subject to the Directors continuing to meet the independence criteria.

The Independent Directors may be nominated to be a Member or Chairman of any one or more Committees of the Board.

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2. Role, Functions and Duties:

The role, functions and duties of the Independent Directors shall be in accordance with the provisions of Schedule IV (Code for Independent Directors) to the Act, which inter alia includes:

As members of the Board, the Independent Directors along with other Directors will be collectively responsible for meeting the objectives of the Board, viz.,

- Requirements under the Act and Rules framed thereunder.
- Responsibilities of the Board in relation to Corporate Governance as outlined in Clause 49 of the Listing Agreement.
- Accountability under Directors’ Responsibility Statement which forms part of the Board’s Report to the shareholders.
- Review of Companies business strategy, financial plan and monitor the performance of the Company.
- Safeguarding the interest of all stakeholders.
- Advice and counsel the management in the respective area of expertise

3. Remuneration:

The Independent Directors shall be paid sitting fees for attending the meetings of the Board and the Committees of which they are members. The sitting fees payable shall be determined by the Board from time to time.

In addition to the sitting fees, the Independent Directors may also be paid a Commission, as may be determined by the Board, as recommended by the Nomination and Remuneration Committee after considering the performance of the Company and the performance and contribution of the Directors as evaluated by the Board.

4. Performance Appraisal / Evaluation Process:

As members of the Board, the performance of the Independent Directors as well as the performance of the entire Board and its Committees will be evaluated annually. Evaluation of each Director shall be done by all the other Directors. The criteria for evaluation shall be disclosed in the Annual Report of the Company. The actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board / Committees.

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4. Disclosures:

During the tenure of their directorship, the Independent Directors shall notify promptly the Company of any change in their directorships and shall provide all disclosures and information as may be required under the applicable laws. They shall also upon becoming aware of any potential conflict of interest with their position as Independent Directors of the Company, promptly disclose the same to the Chairman of the Board or the Company Secretary.

5. Disengagement:

The Independent Directors may resign from the directorship of the Company 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.

The directorship of Independent Directors on the Board shall cease in accordance with the provisions of the Companies Act, 2013 or other applicable laws. The Company may disengage the Independent Directors prior to completion of their terms (subject to compliance of relevant provisions of the Act) upon:

- Their violating any of the provision of the Code of Conduct applicable to the Independent Directors
- The Independent Directors failing to meet the criteria for independence as envisaged in Section 149(6) of the Act and Clause 49 of the Listing Agreement, as amended from time to time.
