

Terms and conditions of Appointment of Independent Directors

(Pursuant to provisions of Schedule IV to the Companies Act, 2013 and Clause 49 (II)(B)(4)(b) of the Listing Agreement)

The terms and conditions of appointment of Independent directors of Malu Paper Mills Limited (“Malu Paper Mills” or “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. The following are the details of Independent Directors of the Company.

Sr. No	Name of Independent Director	Director Identification Number	Tenure	
			From	To
1	Mr. Satyanarayan Rathi	01797378	25-09-2014	25-09-2019
2	Mr. Chandrakant Thakar	00784189	25-09-2014	25-09-2019
3	Mr. Shyamsunder Sarda	02399265	25-09-2014	25-09-2019
4	FCA Shrutika Inani	06937649	25-09-2014	25-09-2019

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. Their re-appointment would be considered by the Board, based on the outcome of the performance evaluation process and their continuing to meet independence criteria. The Independent Directors may be nominated to be a Member or Chairman of any one or more Committees of the Board.

They will not be an employee of the Company and the appointment letter shall not constitute a contract of employment.

2. ROLES, DUTIES & RESPONSIBILITIES:

- I. As Members of the Board, they along with the other Directors, will be collectively responsible for meeting the objectives of the Board which inter alia, include:
 - Requirements under the Companies Act, 2013, as amended or re-stated for the time being in force.
 - Responsibilities of the Board as outlined in the Corporate Governance requirements as prescribed by Stock Exchanges under Clause 49 of the Listing Agreement as amended from time to time.
 - Accountability under the Director’s Responsibility Statement.

- II. They shall abide by the 'Code For Independent Directors' as outlined in Schedule IV to Section 149(8) of the 2013 Act, and duties of directors as provided in the 2013 Act (including but not limited to Section 166) and in Clause 49 of the Listing Agreement.
- III. They will be particularly requested to provide guidance in their area of expertise.

3. TIME COMMITMENT:

By accepting the appointment, the Independent Director confirms that he is able to allocate sufficient time to perform his role as an Independent Director of the Company.

In terms of the Companies Act, 2013, he will have to attend at least one Board Meeting during every Financial Year in-person. Also, he will strive to attend the Board / its committees' calls whenever scheduled as per the best convenience of all the attendees.

4. CODE OF CONDUCT:

During the period of the appointment, the Independent Director will be bound by the Company Code of Directors and such other codes of conduct under applicable laws including the Companies Act, 2013 and the Securities and Exchange Board of India Act, 1992.

Unless specifically authorized by the Company, the Independent Directors shall keep confidential all information concerning the Company and shall not divulge or disclose the same to any person during the term of their appointment. Their obligation of confidentiality shall survive cessation of their directorships with the Company.

5. PERFORMANCE APPRAISAL / EVALUATION PROCESS:

As a member of the Board, Independent Director performance shall be evaluated annually by the Board. The criteria for evaluation shall be determined by the Nomination and Remuneration Committee of the Board. An indicative list of factors that may be evaluated as a part of this exercise is:

- Participation and contribution by the Independent Director,
- Commitment (including guidance provided to senior management outside of Board / Committee meetings),
- Effective deployment of knowledge and expertise,
- Effective management of relationship with stakeholders,
- Integrity and maintenance of confidentiality
- Independence of behavior and judgment, and
- Impact and influence.

6. 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.

During their Tenure, they agree to promptly provide a declaration under Section 149(7) of the Act, upon any change in circumstances which may affect their status as an Independent Director.

7. CHANGES OF PERSONAL DETAILS:

During the Tenure, they shall promptly intimate the Company Secretary and the Ministry of Corporate Affairs in the prescribed manner, of any change in address or other contact and personal details provided to the Company.

8. REMUNERATION AND REIMBURSEMENT OF EXPENSES:

Independent Director remuneration will be as under:

- Sitting fees for attending each meeting of the Board and its Committees as may be determined by the Board from time to time, and
- Any other fee subject to the provisions of the Companies Act 2013 and as per the Company's policy as amended from time to time.

In addition to the fees described in above, the Company will reimburse the official travel expenses, hotel expenses, and all other reasonable out of pocket expenses borne by the Independent Director for participating in Board and other Committee meetings and other Business meetings.

9. DISENGAGEMENT:

They 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 in the notice, whichever is later.

Their directorship on the Board of the Company shall cease in accordance with law. The Company may disengage Independent Directors prior to completion of Term (subject to compliance of relevant provisions of the 2013 Act) upon

- Violation of any provision of the Code of Conduct as applicable to Non-Executive Directors,
- Upon the director failing to meet the criteria for independence as envisaged in Section 149(6) of the 2013 Act or Clause 49 of the Listing Agreement.

10. CO-OPERATION:

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