

**CHARTER FOR THE NOMINATION AND
REMUNERATION COMMITTEE OF
MALU PAPER MILLS LIMITED**

INTRODUCTION:

The composition, quorum, powers, role, review of information, scope, etc., of the Nomination and Remuneration Committee is in accordance with provisions of Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of the Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Nomination and Remuneration Committee makes proposals to the Board of Directors regarding the remuneration policy and the individual remuneration of directors and senior officers just below the board level. It was formed on 01/04/2014

A. OBJECTIVES:

The purpose of the Nomination and Remuneration Committee (the "committee") of the Board of Directors (the "Board") of Malu Paper Mills Limited ("Malu Paper Mills" or "the Company") shall be to:

- i. assist the Board in discharging its responsibilities relating to compensation of the Company's directors and key managerial personnel;
- ii. evaluate and approve the adequacy of the compensation plans, policies, programs and succession plans for Company's executive directors and senior management (including recommending to the Board the appointment and removal of senior management;
- iii. formulate the criteria for determining qualifications, positive attributes and independence of a director and for performance evaluation of independent directors on the Board;
- iv. oversee the Company's nomination process for the top level management and identify, screen and review individuals qualified to serve as executive directors, nonexecutive directors, independent directors and senior management consistent with criteria approved by the Board;
- v. recommend appointment and removal of directors to the Board, for approval at the annual meeting of shareholders;
- vi. carry out evaluation of the performance of the Board
- vii. leadership development;
- viii. develop and maintain corporate governance policies applicable to the Company;
- ix. recommend to the Board a policy, relating to the remuneration of the Company's directors, key managerial personnel and other employees; and
- x. To devise a policy on Board diversity. The purpose and responsibilities of the committee shall include such other items as may be prescribed by applicable law or by the Board in compliance with applicable law from time to time.

B. MEMBERSHIP AND COMPOSITION:

The committee shall comprise three or more non-executive directors out of which not less than one-half shall be independent directors. The Chairman of the Board (whether executive or non-executive) may be appointed as a member of the committee but shall not chair the committee. The Chairman of the committee shall be an independent director, from amongst the members of the committee. The Company Secretary of the company shall act as the secretary to the committee and will be responsible for taking adequate minutes of the proceedings and reporting on actions taken in the subsequent meeting.

The Nomination and Remuneration Committee comprises of three Independent Directors as detailed below:

Name of Committee Member	Designation in Committee	Category
Mr. Chandrakant Thakar	Chairman	Independent Non-Executive Director.
Mr. Satyanarayan Rathi	Member	Independent Non-Executive Director.
Mr. Purushottam Malu	Member	Independent Non-Executive Director.

Ms. Mayuri Asawa act's as the Secretary to the Committee.

C. INDEPENDENCE:

Each member of the Committee shall be an “independent director” as defined by the companies Act, 2013 and in compliance with listing standards of the Indian Stock Exchange Listing Agreement.

D. FUNCTIONS OF NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee shall assist the Board in:-

- i. **Board performance** - to assess and recommend to the Board the candidature of directors and boardroom diversity, appointment of directors to board committees, review of the Board's succession plans and training programmes, and to carry out periodic review on the composition and size of the Board, including the performance of individual Directors so to assess the appropriateness and effectiveness of the Board as a whole, and
- ii. **Board remuneration** - to carry out periodic review on the remuneration policies and procedures to attract, retain and motivate Directors. The remuneration package should

be aligned with the business strategy and long-term objectives of the Company and Group as well as to reflect the Board's responsibilities, expertise and complexity of the Company's activities.

The Nomination and Remuneration Committee shall, amongst others, discharge the following functions:-

- i. to review, recommend and consider candidates to the Board of the Company by taking into consideration the competencies, commitment, contribution and performance of the candidates;
- ii. to review and determine the mix of skills, experience and other qualities, including core competencies of non-executive Directors on an annual basis;
- iii. to assess the effectiveness of the Board as a whole, the committees of the Board and the contribution of each individual Director on an annual basis;
- iv. to review succession planning and senior management development to address leadership continuity;
- v. to review, and recommend, as appropriate, board induction and continuing training programs for members of the Board;
- vi. To review, recommend and consider remuneration package of each of the Executive Director. The determination of remuneration packages of Non-Executive Directors shall be a matter of the Board as a whole. The individual concerned shall abstain from deliberation of his own remuneration;
- vii. to monitor the Company's compliance with the requirements under the Companies Act, 2013 relating to plans and loans to Directors and other legal requirements affecting its compensation and benefit programs (if any), in consultation with the Audit Committee as appropriate; and
- viii. To consider other matters as may be directed by the Board from time to time.

E. POWERS OF NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee shall have the following authority as empowered by the Board:-

- i. to deliberate any matter within its NRC Charter;
- ii. have the resources which are required to perform its duties;
- iii. have full and unrestricted access to any information pertaining to the Group;
- iv. Have direct communication channels with all directors and employees of the Group; and to obtain independent professional or other advice as necessary.

F. MEETINGS:

I. FREQUENCY OF MEETINGS:

The committee may establish an Annual Work Plan (“AWP”) for each year to ensure that all relevant matters are covered by the agendas of the meetings planned for the year.

The committee shall meet as often as needed to discuss matters.

II. QUORUM AND VOTING:

The quorum for the meeting of the Committee will be any two members of the Committee of which one director to be an independent director.

G. REPORTS:

The Committee shall report to the Board at its next Board meeting, which will be incorporated as a part of the minutes of the Board of Directors meeting.

H. CIRCULAR RESOLUTION:

The decisions to be taken by the Committee members may be taken by way of a circular resolution wherever it is not possible to have a meeting of the Committee members.

I. MINUTES: The Company Secretary will maintain minutes of the meetings of the Committee, which will be submitted to the Board for noting.

**PUNAMCHAND MALU
MANAGING DIRECTOR & CEO**

The Charter has been amended in accordance with Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Last Amended on:-09/11/2020