

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.

Shri Satyanarayan Rathi was appointed as an Independent Director of the Company for a term of 5 (Five) consecutive years by the members at the 21st Annual General Meeting held on September 25, 2014. He has been appointed as an Independent Director of the Company for a second term of 5 (Five) consecutive years by the members at the Annual General Meeting held on September 27, 2019.

Shri Chandrakant Thakar was appointed as an Independent Director of the Company for a term of 5 (Five) consecutive years by the members at the 21st Annual General Meeting held on September 25, 2014. He has been appointed as an Independent Director of the Company for a second term of 5 (Five) consecutive years by the members at the Annual General Meeting held on September 27, 2019.

Shri Shyamsunder Sarma was appointed as an Independent Director of the Company for a term of 5 (Five) consecutive years by the members at the 21st Annual General Meeting held on September 25, 2014. He has been appointed as an Independent Director of the Company for a second term of 5 (Five) consecutive years by the members at the Annual General Meeting held on September 27, 2019. He has resigned as an Independent director w-e-f October 28, 2020 due to personal reasons.

FCA Shrutika Inani was appointed as an Independent Director of the Company for a term of 5 (Five) consecutive years by the members at the 21st Annual General Meeting held on September 25, 2014. He has been appointed as an Independent Director of the Company for a second term of 5 (Five) consecutive years by the members at the Annual General Meeting held on September 27, 2019.

CA. Sahil Shankar Agrawal(DIN:-02690403) was appointed as an Independent Director of the Company for a term of 5 (Five) consecutive years by the members at the 28th Annual General Meeting of the company for a term of five (5) years w.e.f November 09, 2020 to November 08, 2025.

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

1. TERM OF APPOINTMENT:

I. Shri Satyanarayan Rathi

The appointment is for a second term commencing from September 26, 2019 up to September 25, 2024 (the “Termination Date”). He will cease to hold office as an Independent Director of the Company immediately after the Termination Date.

II. Shri Chandrakant Thakar

The appointment is for a second term commencing from September 26, 2019 up to September 25, 2024 (the “Termination Date”). He will cease to hold office as an Independent Director of the Company immediately after the Termination Date.

III. Shri Shyamsunder Sarda

The appointment was for a second term commencing from September 26, 2019 up to September 25, 2024 (the “Termination Date”). Mr. Shyamsunder Sarda has resigned from the position of director of the company w-e-f October 28, 2021 and therefore ceased to be an Independent Director of the Company w-e-f October 28, 2021.

IV. FCA Shrutika Inani

The appointment is for a second term commencing from September 26, 2019 up to September 25, 2024 (the “Termination Date”). She will cease to hold office as an Independent Director of the Company immediately after the Termination Date.

V. CA. Sahil Shankar Agrawal

The appointment is for a first term commencing from November 09, 2020 to November 08, 2025.

2. OTHER TERMS AND CONDITIONS:

Committees:

During the Appointment, the Independent Director may be required to serve on one or more committees of the Board including Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee and other Committees as the Board may decide.

The Independent Director is an Independent non-executive director and will be identified as such in the annual report and other documentation of the Company. If circumstances change and he or she believes that his or her independence will be in doubt, he should discuss the same with the Chairman of the Company as soon as practicable.

3. 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.

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

5. TRAINING AND DEVELOPMENT

The Independent Director will be invited to attend ongoing training and familiarization sessions for Directors.

The Board members are provided with necessary documents / brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

Periodic presentations are made at the Board and Board Committee meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved.

6. 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.

7. 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.

8. 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.

9. 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.

10. 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.

11. 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.

12. 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.

PUNAMCHAND MALU
MANAGING DIRECTOR & CEO
