



SHREE KRISHNA PAPER MILLS & INDUSTRIES LIMITED

Terms and Conditions of appointment of Independent Directors

{Pursuant to Schedule IV of the Companies Act, 2013 (“Act”) and Regulation 46(2)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”)}

Shree Krishna Paper Mills and Industries Limited (“Company”) believes in following the best Corporate Governance practices and complying with the applicable provisions of the SEBI LODR Regulations and the Act in true spirit. Accordingly to comply with the applicable provisions of SEBI LODR Regulations and the Act related to the appointment of Independent Directors on the Board of the Company details terms and Conditions are as under:-

1. Terms of Appointment:

The term of appointment of an Independent Director (ID) of the Company is for a period of 5 consecutive years from the date of his/ her appointment. Independent Director is not liable to retire by rotation. Appointment of every independent director shall be approved by members of the Company.

Independent Director is not liable to retire by rotation.

Independent Directors will be eligible for re-appointment for another term of 5 consecutive years, after the completion of their tenure of first 5 years, subject to Board approval, and the passing of a Special Resolution by Members.

2. Other Terms and Conditions

A. Committees:

A.1 During their tenure as Independent Director(s), they may serve in one or more of the Committees of Board including Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee, or any other Committee of the Board, as the Board may decide from time to time.

A.2 During their tenure as Independent Director(s) they will not serve as (i) an Independent Director in more than the prescribed number of listed companies; and (ii) a Committee member of more than the prescribed number of Committees (i.e. Audit Committee and Stakeholders' Relationship Committee) including chairmanship of such committees.

B. Duties, Liabilities & Code of Conduct:

(i) The Independent Director(s) will comply with the requirements of Section 166 read with Schedule IV of the Act and Regulations 4(2)(f) & 25 of SEBI LODR Regulations while discharging their duties.

(ii) The Independent Director(s) will be required to abide by the guidelines as to professional conduct for Independent Director(s) as set out in Section 149(8) read with Schedule IV of the Act.

(iii) The Independent Director(s) will be required to provide the disclosures prescribed under the Act and SEBI LODR Regulation including declaration that they meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI LODR Regulations and comply with the provisions of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

(iv) The Independent Director(s) will be required to comply with the Code of Conduct for Board of Directors and Senior Management, Code of Practice and Procedure for Fair

Disclosure of Unpublished Price Sensitive Information and Code of Conduct for Prohibition of Insider Trading of the Company including compliance with the applicable provisions of the Insider Trading Laws and Regulations, as amended from time to time.

3. Training and Development:

Independent Director(s) shall undertake appropriate induction and regularly update & refresh their skills, knowledge and familiarity with the Company. Presently, Company is familiarizing the Independent Directors including the following:

- (a) Nature of industry in which the Company operates
- (b) Business model of the Company
- (c) Roles, rights and responsibilities of the Independent Directors
- (d) Quarterly business presentations and regulatory updates

4. Separate Meeting of Independent Directors:

To comply with the provisions of Schedule IV of the Act and Regulation 25(3) of the SEBI LODR Regulations, Independent Directors of the Company shall strive to be present at meeting of Independent Directors held atleast once in a financial year without the presence of Non-Independent Directors. In this meeting, the Independent Directors shall:

- (a) review the performance of Non-independent Directors and the Board as a whole;
- (b) review the performance of the Chairman of the Company taking into account the views of Executive Directors and Non-Executive Directors; and
- (c) assess the quality, quantity and timeliness of flow of information between the management of the Company and the Board that is necessary for the Board to effectively and reasonably perform their duties

5. Payment to Independent Directors:

A sitting fee will be paid for attending each meeting of the Board as well as the Audit Committee meeting attended, as per the provisions of Section 197 of the Act 2013 and the Articles of Association of the Company, as fixed by the board from time to time;

The Independent Director will be entitled to claim reimbursement of all his/ her travelling, hotel and other incidental expenses incurred by him/ her in performance of duties as director of the Company, as per the provisions of the Act 2013.

At Shree Krishna Paper Mills and Industries limited, the Company does not pay any remuneration or sitting fee to the Non-Executive Directors. They are entitled to claim the actual out-of-pocket expenses incurred for attending Board Meetings.

6. Confidentiality

All information acquired during the appointment is confidential to the Company and should not be released, either during the appointment or following termination (by whatever means) to third parties without prior clearance from the Chairman unless required by law or by the rules of any stock exchange or regulatory body. On reasonable request, Director shall surrender

any documents and other materials made available to them by the Company. Attention is also drawn to the requirements under the applicable. Consequently, director should avoid making any statements or performing any transactions that might risk a breach of these requirements without prior clearance from the Chairman or the Company Secretary. Unless specifically authorized by the Company, the Independent Director shall not disclose Company and business information to public constituencies such as the media, the financial community, employees, members, agents, franchises, dealers, distributors and importers.

7. Miscellaneous

(i) Independent Directors shall give an annual declaration as required under the provision of section 149(7) of the Companies Act, 2013 and the rules made thereunder.

(ii) Independent Directors shall registered themselves under Independent Directors Database maintained by the Indian Institute of Corporate Affairs pursuant to Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

8. Governing Law:

The appointment and the terms are governed by the laws of India.