

Shree Ajit Pulp and Paper Limited

Terms and Conditions of Appointment of Independent Director

Appointment:

The terms and conditions for appointment of independent director of the Company in accordance with the provisions of Companies act, 2013 and SEBI (Listing Regulations and Disclosure Requirement) Regulations, 2015 ("SEBI (LODR) Regulations, 2015") as amended from time to time.

An independent director, will not be liable to retire by rotation.

Role, Duties and Responsibilities:

- A. As members of the Board, they along with the other Directors will be collectively responsible for meeting the objectives of the Board which include:
- Requirements under the Companies Act, 2013
 - "Responsibilities of the Board" as outlined in the SEBI (LODR) Regulations, 2015 and any modifications or re-enactments thereto,
 - Accountability under the Directors' Responsibility Statement.
- B. They shall abide by the 'Code For Independent Directors' as outlined in Schedule IV to section 149(8) of the Companies Act, 2013 and duties of directors as provided in the said Act (including Section 166) and in the SEBI (LODR) Regulations 2015.
- C. They shall provide guidance in their area of expertise.

Time Commitment :

They agree to devote such time as is prudent and necessary for the proper performance of their role, duties and responsibilities as an Independent Director.

Remuneration :

As Independent Directors, they shall be paid sitting fees for attending the meetings of the Board and the Committees of which they are members. The

sitting fees for attending each meeting of the Board and its Committees would be as determined by the Board from time to time.

In addition to the sitting fees, commission that may be determined by the Board may also be payable to them. In determining the amount of this commission, the Board supported by the Nomination and Remuneration Committee may consider performance of the Company and their performance as evaluated by the Board.

Further, the Company may pay or reimburse to the Director such expenditure, as may have been incurred by them while performing their role as an Independent Director of the Company. This could include reimbursement of expenditure incurred by them for accommodation, travel and any out of pocket expenses for attending Board/ Committee meetings, General Meetings, court convened meetings, meetings with shareholders/creditors/management, site visits, induction and training (organized by the Company for Directors) and in obtaining, subject to the expense being reasonable, professional advice from independent advisors in the furtherance of their duties as Independent Directors.

Training and Development :

The Company may, if required, conduct formal training program for its Independent Directors.

The Company may, as may be required, support Directors to continually update their skills and knowledge and improve their familiarity with the company and its business. The Company will fund/arrange for training on all matters which are common to the whole Board as and when deemed required by the Board.

Performance Appraisal / Evaluation Process :

As members of the Board, their performance as well as the performance of the entire Board and its Committees will be evaluated periodically. Evaluation of each director shall be done by all the other directors. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board / Committee.

Confidentiality:

All information in relation to the Company acquired by independent director during the appointment and tenure as an independent director is confidential and should not be disclosed to third parties unless required by law.

Independent director is subject to and bound by the prohibition and restrictions against insider trading and disclosure of unpublished price sensitive information, as prescribed under the Act and the regulations issued by the SEBI. independent director would have to strictly abide by the Code of Conduct for Prevention of Insider Trading of the Company under SEBI (Prohibition of insider trading) Regulations, 2015 (as amended time to time).

Disclosures, other directorships and business interest :

During the Term, they agree to promptly notify the Company of any change in their directorships, and provide such other disclosures and information as may be required under the applicable laws. They also agree that upon becoming aware of any potential conflict of interest with their position as Independent Directors of the Company, they shall promptly disclose the same to the Chairman and the Company Secretary of the Company.

During their Term, they agree to promptly provide a declaration under Section 149(7) of the 2013 Act, upon any change in circumstances which may affect their status as an Independent Director.

Changes of personal details:

During the Term, they shall promptly intimate the Company Secretary and the Registrar of Companies in the prescribed manner, of any change in address or other contact and personal details provided to the Company.

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 by them 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 them,
- Failing to meet the criteria for independence as envisaged in Section 149(6) of the 2013 Act.

AMENDMENTS:

The Board shall be responsible for the administration, interpretation, application and review of this policy. The Board shall have power to bring about necessary changes to this policy, if required at any stage in compliance with the prevailing laws.