



Regd. Offi. / Works

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APPOINTMENT LETTER

Mr. Sapan Sodhi,
Director,
Sangal Papers Limited,
105, Carriappa Street,
Meerut Cantt, Meerut-250001

Dear Sir,

Sub: Appointment as the Independent Director of Sangal Papers Limited (the 'Company'):

I am pleased to inform you that the Board of Directors of the Company, have appointed you as Additional Independent Executive Director in their Meeting held on 27th Day of May, 2023. You are hereby appointed till the ensuing 43rd AGM of the Company wherein if confirmed/approved by the Shareholders you will be appointed for One term of 5 years from the 43rd AGM till 48th AGM of the Shareholders on the terms as mentioned below:

Please note that this is a contract for services and is not a contract of employment.

Appointment:

This appointment is till Forty Third AGM of the Company and if approved by the Shareholders your 1st Term of 5(five) year will commence from Forty Third Annual General Meeting till 48th Annual General Meeting of the Shareholders on the terms as set in below:

The appointment is for a term of 5 (five) years commencing from Forty Third Annual General Meeting to Forty Eight Annual General Meeting of the company (to be regarded as the 'Termination Date'). Unless the appointment is renewed on or prior to the Termination Date, your appointment shall come to an end on the Termination Date. The appointment shall be as per the Company's Articles of Association.

Notwithstanding the other provisions of this letter, the appointment may be terminated with or without cause at any time by the Company with immediate effect, in accordance with the Indian Companies Act, 2013 and Rules and Regulations made thereunder and the Company's Articles of Association or, as applicable, or upon your resignation, or the Board of Directors (excluding you) is of opinion that your continued appointment is not in the interest of the Company. Upon such termination or resignation of your appointment for any reason, you shall not be entitled to any

damages for loss of office and no fee will be payable to you in respect of any unexpired portion of the term of the appointment or any damages whatsoever. Upon such termination or resignation, you undertake to sign all appropriate paperwork that the Company may require.

During the term of your appointment, you may be asked to serve on one or more of the Board Committees including Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee of the Board of the Directors from time to time and you will be provided with copies of the terms of Reference for each of those committees.

You are considered to be an Independent Non- Executive Director and will be identified as such in the Annual Report and other documentation. If circumstances change, and you believe that your possible independence may be in doubt, you should discuss this with the Managing Directors of the Company.

Time Commitment

By accepting the appointment, you confirm that you are able to allocate sufficient time to perform your role as an Independent Director of the Company.

You will attend at least one Board Meeting during every Financial Year in-person / through video conferencing as provided under the Indian Companies Act, 2013. Also, you will strive to attend the Board/its committees' calls whenever scheduled as per the best convenience of most of the attendees.

Role and responsibility

As an Independent Director, you will be bound by the Code for Independent Directors as mentioned under Schedule IV of the Indian Companies Act, 2013 and Security Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015.

As an Independent Director, you have the same general legal responsibilities to the Company as any other Director including all fiduciary duties, responsibilities, statutory obligations and liabilities of directors prescribed in law including the Indian Companies Act, 2013.

The Board as such is collectively responsible for promoting the success of the Company by directing and supervising the Company's affairs. The brief description of the terms of reference of the Board of Directors are as follows:

To manage and direct the business and affairs of the Company;

To manage, subject to the Articles of Association of the Company, its own affairs, including planning its composition, selecting its Managing Director, appointing Committees, establishing the terms of reference and duties of Committees and determining Directors' compensation;

To act honestly and in good faith in the best interests and objects of the Company, its employees, its shareholders, the community and for protection of environment;

To exercise due care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances and shall also exercise independent judgment;

To participate directly or through its Committees, in developing and approving the mission of the business, its objectives and goals and the strategy for their achievement;

To ensure congruence between shareholders' expectations, Company's goals, objectives and

management performance;

To monitor the Company's progress towards its goals and to revise and alter its direction in light of changing circumstances;

To approve and monitor compliance with all significant policies and procedures by which the Company is operated;

To ensure that the Company operates at all times within applicable laws and regulations and ethical and moral standards;

To ensure that the performance of the Company is adequately reported to shareholders, other stakeholders and regulators on a timely and regular basis;

To ensure that the audited annual financial statements are reported fairly and in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India;

To ensure that any developments that have a significant and material impact on the Company are reported from time to time to the concerned authorities;

Not to involve in a situation which may have a direct or indirect interest that conflicts, or possibly may conflict with the interest of the Company;

Not to achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners or associates and if such director is found guilty of making any undue gain, she shall be liable to pay an amount equal to that gain to the Company;

Not to assign his office and any assignment so made shall be void; and

To act in accordance with the laws and regulations of the country and the Memorandum and Articles of Association of the Company.

In addition to the above responsibilities of all Directors of the Company, the role of the Independent Directors shall also have the following key elements:

Strategy and Business Development

You should constructively challenge and contribute to the overall strategy and to the business development initiatives of the Company by getting actively engaged with the Company in making introductions to potential clients in the key service areas of the Company;

Performance: You should scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance; and

Risk: You should satisfy yourself that financial information is accurate and that financial controls and systems of risk management are robust and defensible.

Other obligations and compliances

You will be required to execute / confirm with respect to the following documentation on a periodic basis:

Confirmation that you are not disqualified to act as a Director of the Company in terms of the Indian Companies Act, 2013

Declaration of Independence in terms of the Indian Companies Act, 2013

Disclosures under the Company Code for Prevention of Insider Trading

Code of Conduct for Directors of the Company

Code of Conduct for Independent Directors as per Schedule IV of the Indian Companies Act, 2013

Disclosure of change in Interest in companies where you are appointed / ceased as a Director or Key Managerial Personnel

Confirmation that your directorships in companies do not conflict with the interest of the Company

Confirmation that you directly, indirectly, or on behalf of third parties, have a material interest in any transaction or matter directly affecting the Company.

Remuneration

The Independent is not eligible for any remuneration except sitting fees in the meeting, approved by Board of Directors of the company.

The Company usually pay sitting fee for attending each Board Meetings as follows:

INR 2,000 (Rupees Two Thousand only) for attending each Board Meeting in-person.

The amount of sitting fees will be decided by the Board from time to time.

If your term comes to an end or you resign or are terminated; you shall be paid any amounts due to you on a pro-rata basis.

Expenses

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

Other directorships and Business Interests

The Company acknowledges that you may have business interests in other companies. In the event that you become aware of any potential conflicts of interests, these should be disclosed to the Managing Director and Company Secretary as soon as they become apparent.

During the appointment, you should consult with the Managing Director prior to accepting any such other (or further) directorships of companies or any major external appointments which may affect your interest in the Company.

Code of Conduct

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

Confidentiality and Non-Disclosure

You must apply the highest standards of confidentiality and not disclose to any person or company (whether during the course of the appointment or at any time after its termination) any confidential information concerning the Company and any Group Companies (including wholly owned subsidiaries) with which you come into contact by virtue of your position as an Independent Director of the Company.

Any information concerning the Company's business, its customers, suppliers, etc. which is not in public domain and to which all employees do not have access, should be considered confidential for the purpose and should be held in confidence, unless authorised to do so and when disclosure is required as a requirement of law. Your attention is drawn to the requirements under Indian regulations as to the disclosure of price sensitive information. You shall not provide any

information either formally or informally, to the press or any other publicity media without prior written clearance from the Managing Director or Company Secretary.

The examples of confidential information are, but not limited to the following:

Business plan, annual operations plan

Performance against target

Costing, pricing, profitability, financial budget and related issues

Fees / stipend, evaluations, recommendations etc. related to any of the employees of the Company

Sales commission, third party commission and about reference agents

Details of past, present and future contracts and proposals

Information about suppliers and/or customers

Communication facilities and equipment

Proposed ventures and corporate plans

Marketing and financial strategies of the Company and/or its customers

Core competencies and activities of the Company and/or its customers

Any other information, which is likely to be crucial for the business operations

On termination of the Appointment, you will deliver to the Company all books, documents, papers, and other property of or relating to business of the company which are in your possession, custody or power by virtue of your position as an Independent Director of the Company. The Company will arrange the disposal of papers that you no longer require.

If there is a breach or threatened breach of the provisions of Confidentiality, the Company shall be entitled to injunctive relief.

Liability

As an Independent director, you will be liable only in respect of such acts of omission or commission by a company which had occurred with your knowledge, attributable through Board process, and with your consent or connivance or where you had not acted diligently.

Review Process

The performance of individual Directors and the whole Board and its committees is evaluated annually. You confirm that you will make yourself available for carrying out the annual / periodic performance review of yourself and the Board committees where you are part thereof for review purpose. You further confirm that you will extend your contribution to review of the Board of Directors individually as well as for its various committees on behalf of / as desired by the Board of Directors on an annual / periodic time frame.

If, in the interim, there are any matters which cause you concern about your role you should discuss them with the Managing Director as soon as it is appropriate.

In accordance with the Indian Companies Act, 2013, this letter of appointment will be made public by the Company including by placing a copy of this letter on the website of the Company. As mandated under the Companies Act, 2013, this letter will also be available for inspection by the shareholders of the Company. Any dispute arising out or in connection with this agreement shall be subject to the exclusive jurisdiction of Courts in Meerut, Uttar Pradesh, India. This agreement shall be governed by the laws of India without reference to its conflicts of laws principles.

Please confirm your agreement to the above by signing and returning to me the enclosed duplicate of this letter.

Yours sincerely,
For and on behalf of Sangal Papers Limited,

Himanshu Sangal
Managing Director

DIN: 00091324

Date: 27th Day of May, 2023

Place: Mawana

