



Astron Paper and Board Mill Limited

Familiarisation Program for Independent Directors for FY 2020-21

We, Astron Paper and Board Mill Limited (“the Company”) has conducted familiarisation program for the independent directors in accordance with the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, the Company shall familiarise the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes. (“The Program”).

The Company has conducted Familiarisation Program on March 26, 2021 as below.

Brief Introduction and Concept of Independent Director

Independent Director is neither defined under the Companies Act, 2013 (“the Act”) nor under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). However, both the Act and the Listing Regulations provides the framework to determine the qualifications to become an Independent Director. To appoint an Independent Director, an individual has to be appointed as a Director first then to be designated as an Independent Director. Therefore, an Independent Director is a Director first then an Independent Director and not vice-versa. An independent director is supposed to be a non-executive director and independent of promoters and management.

Independent Directors are seen as catalysts of change and have to facilitate the corporates to navigate through the growing complexities and ever-increasing compliances of law. Increasing competitive business environment has enhanced the role and responsibilities of the Independent Directors. Considering that Independent directors have an extremely crucial role to play in ensuring the quality of Corporate Governance, the Act and the Listing Regulations have prescribed a greater role and importance to Independent Directors by mandating their presence in various

Committees and have ensured that they have a say in the Governance of the Company.

About Astron Paper and Board Mill Limited

Incorporated in December, 2010 is one of the largest recycled corrugated paper manufacturers in India. Astron transforms waste paper into recyclable Kraft paper products that are widely used in packaging. Within a short span of time, the company has developed a name and brand image in packaging paper industry with innovative corrugated paper solutions. The company is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) by way of initial public offer (IPO) in December, 2017. Astron Paper offers high-performance quality products and services and seeking to combine the sustainability of its operations with the highest technological levels of the industry with fulfilment of market requirements governmental regulations with social and environmental efficiency. Astron has emerged as a key industrial player and aim to spread growth spree even wider. Apart from being growth-centric, we are committed to our shareholders with the launch of new higher margin products with minimizing the environmental impact of its operations and its products through the adoption of sustainable practices. M/s. Balaram Papers Private Limited is wholly owned subsidiary company.

Presence of Independent Directors:

Considering the importance of Independent Directors both the Act and Listing Regulations mandated the presence of Independent Directors at Board and Committee meetings as well.

As per the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 apart from Committee of Board below committees should also be consists of Independent Directors

- Audit Committee;
- Nomination and Remuneration Committee;
- Corporate Social Responsibility;
- Stakeholder Relationship Committee.

Roles, Duties and Responsibilities of Independent Directors are also defined under the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

- Independent Directors are expected to bring an independent judgement to the Board room and are expected to safeguard the interests of shareholders, in particular the minority shareholders and all other stakeholders.
- A director of a company shall not 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, he shall be liable to pay an amount equal to that gain to the company.

Liabilities of Independent Director

It is mentioned that if a director of the Company contravenes the provisions of the Act, such director shall be punishable with fees which shall not be less than one lakh rupees, but which may extend to five lakh rupees.

Ministry of Corporate Affairs issued a General Circular No 1, dated March 02, 2020 clarifying that civil or criminal proceeding should not unnecessarily be initiated against Independent Directors unless enough evidence exists to the contrary, and, if already initiated, must be reviewed. This gives a great comfort to the Independent Directors who discharge their responsibilities diligently, as also a direction on how they are expected to act.

Conclusion

Company informs any periodical changes, if any to the Independent Directors about their roles, duties and responsibilities.