

# **MAHESHWARI LOGISTICS LIMITED**

## **TERMS AND CONDITIONS FOR APPOINTMENT OF INDEPENDENT DIRECTORS**

*(Pursuant to the provisions of Schedule IV to the Companies Act, 2013 (“the Act”) and Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

### **1. TERMS OF APPOINTMENT**

- a) The appointment as a Non-Executive Independent Director on the Board of Directors of the Company is subject to the provisions of Companies Act, 2013(the Act) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’).
- b) The appointment will be for the period mentioned against their respective names (“Term”) in the attached Annexure. The Company may remove Independent Directors prior to completion of the Term subject to compliance of relevant provisions of the Companies Act 2013 and Articles of Association of the Company.
- c) In compliance with provision of Section 149(13) of the Companies Act, 2013, Independent Directors are not subject to retirement by rotation.
- d) Re-appointment at the end of the Term shall be based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Board and the shareholders. The re-appointment would be considered by the Board based on the outcome of the performance evaluation process and the directors continuing to meet the independence criteria.
- e) The directors may be requested to be a member / Chairman of any one or more Committees of the Board which may be constituted/re-constituted from time to time.
- f) The appointment may be terminated in accordance with the provisions of the Articles of Association of the Company or on failure to meet the parameters of independence as defined in Section 149(6) or Listing Regulations or on the occurrence of any event as defined in section 167 of the Companies Act, 2013. Upon termination or upon resignation for any reason, duly intimated to the Company, Independent Directors will not be entitled to any compensation for loss of office.

## **2. RESIGNATION**

- a) A Director may resign from his office by giving a notice in writing to the Company and the Board shall on receipt of such notice take note of the same and the Company shall intimate the Registrar as required under Companies Act, 2013.
- b) The director may also forward a copy of his resignation along with detailed reasons for the resignation to the Registrar within thirty days of resignation.
- c) Resignation of a director shall take effect from the date on which the notice is received by the company or the date, if any, specified by the director in the notice, whichever is later.

## **3. THE COMMITMENT**

- a) As a Non-Executive Independent Director, they are expected to bring objectivity and Independence of view to the Board's discussion and to help provide the Board with effective leadership in relation to the Company's strategy, performance, risk management and CSR activities as well as ensuring high standards of financial probity and corporate governance. They are expected to attend Board and other Committees meeting to which they may be appointed including shareholders meetings and to devote such time to their duties, as is appropriate to discharge their duties effectively.
- b) By accepting the appointment, the Independent Directors have confirmed that they are able to allocate sufficient time to meet the expectations from role to the satisfaction of the Board.

## **4. ROLE AND DUTIES**

As members of the Board, they along with the other Directors will be collectively responsible for meeting the objectives of the Board which include:

- a) Requirements under the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013,
- b) "Responsibilities of the Board" as outlined in the Corporate Governance requirements as prescribed by the Stock Exchanges under Regulation 4(2)(f) of Listing Regulations.
- c) Accountability under the Director's Responsibility Statement.

- d) The role and duties of Independent Directors will be those normally expected of a Non – Executive Independent Directors under the Companies Act, 2013 and Listing Regulations. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and are as under:
- I. They shall act in accordance with the Company’s Articles of Association as may be amended from time to time;
  - II. They shall act in good faith in order to promote the objects of the Company for the benefits of its members as a whole, and in the best interest of the Company;
  - III. They shall discharge their duties with due and reasonable care, skill and diligence;
  - IV. They shall not involve themselves in a situation in which they may have a direct or indirect interest that conflicts or possibly may conflict with the Interest of the Company;
  - V. They shall not achieve or attempt to achieve any undue gain or advantage either to themselves or to their relatives, partners or associates.
  - VI. They shall not assign their office as Director and any assignment so made shall be void.
- e) In addition to the above requirements the Independent Directors are also expected to perform the following functions:
- I. They should constructively challenge and help develop proposals on strategy for growth of the Company.
  - II. They should evaluate the performance of management in meeting agreed goals & objectives.
  - III. They should satisfy themselves on the Integrity of financial information and that financial controls and systems of risk management are effective and defensible.
  - IV. They are responsible for determining appropriate levels of remuneration of Executive Directors and have to play prime role in appointing, Directors and in succession planning.
  - V. They are supposed to keep governance and compliance with the applicable legislation and regulations under review and the conformity of Company’s practices to accepted norms.

## **5. STATUS OF APPOINTMENT**

- a) Independent Directors will not be employees of the Company and their appointment letter shall not constitute a contract of employment. They will be paid such remuneration by way of sitting fees for meetings of the Board and its Committees as may be decided by the Board. 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.

- b) Independent Directors have no entitlement to any bonus during the appointment and no entitlement to participate in any employee stock option scheme operated by the Company or any Group Company.

## **6. REMUNERATION AND REIMBURSEMENT OF EXPENSES**

- a) Subject to the provisions of sections 197 and 198 of the Companies Act, 2013 they shall be entitled to remuneration by way of sitting fees, reimbursement of expenses for participation in the Board, other committee meetings and meetings of Independent Directors and profit related commission as may be decided and approved by the board of Directors and/or shareholders from time to time.
- b) The Company will reimburse all reasonable and properly-documented expenses you incur in performing duties of your office.

## **7. CONFLICT OF INTEREST**

- a) The Company accepts and acknowledges that the Independent Directors may have business interests other than those of the Company. As a pre-condition to their appointment, they are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of their appointment and thereafter on any changes thereon from time to time.
- b) In the Event that any change in circumstances that give rise to a conflict of interest or, when the changed circumstances might lead the Board to revise its judgement on their independence, the same should be disclosed to both the Chairman and the Company Secretary.

## **8. EVALUATION**

- a) The performance of individual directors and the whole Board and its committees shall be evaluated annually or other periods as may be decided.
- b) Any proposal of re-appointment of independent director shall be on the basis of report of performance evaluation.

## **9. DISCLOSURE OF INTEREST**

The Independent Directors are supposed to disclose any material interest that they may have in any transaction or arrangement that the company has entered into. The disclosure shall be made no later than the time when the transaction or arrangement comes up at a Board meeting for discussion so that the minutes may record the interest appropriately. A general notice to the Company that they are interested in any contract with a particular person, firm or company is also acceptable.

## **10. CODE OF CONDUCT**

During their tenure of appointment, they are required to comply with the provisions of Schedule IV under Companies Act, 2013, including following codes of conduct of the Company:

- a) Code of Conduct for Board of Directors and Seniors Management framed by the Board of Directors,
- b) Code of Internal Procedures and Conduct for prevention of Insider Trading in securities of the Company/ Code of Practice and Procedure for Fair Discloser.

## **11. CONFIDENTIALITY**

- a) The Independent Directors have been informed that all information acquired during their appointment is confidential to the Company and should not be released, communicated, nor disclosed either during appointment or following termination (by whatever means), to third parties without prior clearance from the Company. This restriction shall cease to apply to any confidential information which may (other than by reason of your breach) become available to the public generally.
- b) The independent Directors are informed of the applicable Insider trading regulations and the Company's Insider Trading Code which requires the disclosure of price sensitive information and dealing in the securities of the Company. Independent Directors are supposed to avoid making any statements or performing any transaction that might risk a breach of applicable insider trading regulations requirements without prior clearance from the Company.

## **12. PUBLICATION OF THE LETTER OF APPOINTMENT**

The Independent Directors are aware about the requirement of Publication of the letter of appointment In line with provisions of Clause IV(6) of Schedule IV

to the Companies Act, 2013 and Listing Regulations, the Company will make public the terms and conditions of appointment of Independent Directors and will also arrange for it to be displayed on the Company's website.

**13. GENERAL**

The appointment of Independent Directors and any non-contractual obligations arising out thereof shall be governed by and be construed in accordance with, the laws of India, and the parties agree to submit to the exclusive jurisdiction of the courts of Vapi.

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## **ANNEXURE**

### **Details of Independent Directors**

*(Updated up to 31.03.2020)*

**The following are the details of Independent Directors of the Company.**

<b>No.</b>	<b>Name</b>	<b>DIN</b>	<b>Tenure</b>	
			<b>From</b>	<b>To</b>
1.	Giriraj Baluram Laddha	00412835	21.09.2017	20.09.2022
2.	Mukesh Agrawal	07692539	24.09.2018	23.09.2023
3.	Ajay Gunvantrai Shah	00420389	24.09.2018	23.09.2023
4.	Hemant Kailashchandra Pant	02552877	14.09.2019	13.09.2022
5.	Ramnaresh Ramkalyan Kabra	08405342	14.09.2019	13.09.2022
6.	Ambalal Bhikhalal Panchal	00829668	14.09.2019	13.09.2022

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