



Maheshwari Logistics Limited

Moving Every Mile With A Smile

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)

APPOINTMENT

1. 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.
2. In compliance with provision of Section 149(13) of the Companies Act, 2013, Independent Directors are not subject to retirement by rotation.
3. Notwithstanding other provision, their appointment may be terminated in accordance with the provisions of the Article of Association of the Company or on failure to meet the parameters of Independence as defined in Section 149(6) or on occurrence of any event as defined in Section 167 of the Companies Act, 2013.
4. 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.

THE COMMITMENT

5. 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.
6. 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.

ROLE AND DUTIES

7. The role and duties of Independent Directors will be those normally expected of a Non – Executive Independent Directors under the Companies Act, 2013. 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.

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.

STATUS OF APPOINTMENT

8. Independent Directors are not the employees of Company and letter of appointment issued to them does not constitute a contract of employment. They are paid such remuneration by way of sitting fee for meetings of the Board and its Committees as may be decided by the Board.

REIMBURSEMENT OF EXPENSES

9. During the tenure of their appointment, the Company will reimburse the travelling cost, hotel and other incidental expenses incurred by them while performing their roles and duties.

CONFLICT OF INTEREST

10. 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.
11. 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.

EVALUATION

12. The Board of Directors will carry out evaluation of the performance of the Board as a Whole, Board committees and Directors on an annual basis as per Company's Policy. The appointment and re appointment of Independent Directors on the Board shall be subject to the outcome of yearly evaluation process.

DISCLOSURE OF INTEREST

13. 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.

CODE OF CONDUCT

14. 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:

- I. Code of Conduct for Board of Directors and Seniors Management,
- II. Code of Internal Procedures and Conduct for prevention of Insider Trading in securities of the Company.

CONFIDENTIALITY

15. The Independent Directors have been informed that all the information acquired by them during their tenure of appointment is confidential to the Company and should not be released, either during the appointment or following termination / resignation (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, they are supposed to surrender any documents and other materials made available to them by the Company.

16. 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 Chairman or the Company Secretary.

PUBLICATION OF THE LETTER OF APPOINTMENT

17. The Independent Directors are aware that in line with provision of Clause IV sub clause 6 of Schedule IV, under Companies Act, 2013, the terms and conditions of their appointment will be made public and the same will be displayed on the Company's website.

MEMBERSHIP OF COMMITTEES

18. The Independent Directors may be appointed by the Board as Member/Chairman of one or more of its Committees. The appointment of Independent Directors on committees as Chairman / member will be regulated and covered in the relevant

committee's terms of reference and any specific responsibilities of the Committees as set out by the Board.

TERMINATION

19. The Independent Directors may resign from their position at any time and should they wish to do so, they are supposed to serve a reasonable written notice on the Board. In terms of provision of the Companies Act, 2013, they are required to file a copy of their resignation letter with the Registrar of Companies.

20. Continuation of their appointment is contingent on getting re-elected by the shareholders in accordance with provision of Companies Act, 2013 and the applicable Articles of Association of the Company, for the time being in force. Independent Directors will not be entitled to any compensation if the shareholders do not re-elect them at any time.

21. The appointment of Independent Directors may also be terminated in accordance with the provision of the applicable Articles of Association of the Company as may be in force for the time being.