



TERMINALS

Allcargo Terminals Limited

CIN: L60300MH2019PLC320697

Regd. Office: 4th Floor, A Wing, Allcargo House, CST Road, Kalina, Santacruz (E), Vidyanagari,
Mumbai – 400 098

Website: www.allcargoterminals.com | **Email:** investor.relations@allcargoterminals.com

Tel: +91 22 66798110

**TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS
OF
ALLCARGO TERMINALS LIMITED**

The terms of your appointment, as set out in this letter, are subject to the extant provisions of the (i) applicable laws, including the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (as amended from time to time) and (ii) Articles of Association of the Company (“AOA”).

1. Appointment

- 1.1 Your appointment as an Independent Director of the Company will be for a tenure of [•] years from the date of their being appointed or designated as such on the Board of the Company, unless terminated earlier or extended as per the provisions of this letter or applicable laws (“**Term**”). As an Independent Director you will not be liable to retire by rotation.
- 1.2 Re-appointment, if any, 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 (approval by way of special resolution). Your re-appointment would be considered by the Board based on the outcome of the performance evaluation process and you continuing to meet the independence criteria.

Under the evaluation mechanism, the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated. On the basis of the report of performance evaluation, the Nomination and Remuneration Committee shall determine whether to extend or continue your term of appointment of an Independent Director and recommend to the Board accordingly.

Further, after the expiration of the term or extended term, you shall be eligible to be appointed as an Independent Director only after expiration of three years of ceasing to be an Independent Director.

During the said period of three years, you will not be eligible to be appointed in or be associated with the Company in any other capacity, either directly or indirectly, in case of default, you won't be able to meet the criteria of Independence as specified in the provisions of Section 149 of the Act and Regulation 16 of the Listing Regulations, as amended time to time.

2. Role, duties and responsibilities

- 2.1 The Board seeks members from diverse professional and personal backgrounds who combine a broad spectrum of experience and expertise with a reputation for business acumen and integrity. As member of the Board you along with other Directors will be collectively responsible for meeting the objectives of the Board which include:

- compliance with the requirements of the Act;
- “Responsibilities of the Board of Directors” as outlined in the Listing Regulations;
- accountability under the Director’s Responsibility Statement;
- overseeing the maintenance of Corporate Governance standards of the Company and ethical conduct of business;
- protecting and enhancing Allcargo/ the Company brand and effectively represent and promote interest of Company’s stakeholders;
- uphold ethical standards of integrity and probity;
- act objectively and constructively while exercising duties;
- exercise the responsibilities in a bona fide manner in the interest of the Company;
- devote sufficient time and attention to the professional obligations for informed and balanced decision making;
- refrain from any action that would lead to loss of your independence.
- where circumstances arise which make you lose your independence, you must immediately inform the Board accordingly;
- assist the Company and the Board in implementing the best corporate governance practices;
- help in bringing an independent judgment to bear on the Board’s deliberations especially on issues of strategy and planning, performance, risk management, resources, key appointments and standards of conduct;
- bring an objective view in the evaluation of the performance of Board and management;
- scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- safeguard the interests of all stakeholders, particularly the minority shareholders;
- balance the conflicting interest of the stakeholders;
- determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder’s interest.

Duties:

You shall:

- undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;

- seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company;
- strive to attend all meetings of the Board of Directors and of the Board committees of which you are/will be is a Member;
- participate constructively and actively in the committees of the Board in which you are chairpersons or members;
- strive to attend the general meetings of the Company;
- where you have concerns about the running of the Company or a proposed action, ensure that these are addressed by the Board and to the extent that they are not resolved, insist that your concerns are recorded in the minutes of the Board meeting;
- keep yourself well informed about the company and the external environment in which it operates;
- not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company;
- ascertain and ensure that the Company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct;
- acting within their authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
- not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by the law.
- at the first meeting of the Board in which you participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect your status as an independent director, submit a declaration that you meet/does not meet the criteria of independence as provided under the Act and the Listing Regulations and that you are/are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact your ability to discharge your duties with an objective independent judgment and without any external influence;
- inform the Board of Directors promptly changes occurred in directorship/ Chairmanship/ membership of any Committee in other companies.

Liabilities:

2.1 Section 149(12) of the Act *inter-alia* states that, notwithstanding anything contained in this Act, Being an Independent Director, you shall be held liable, only in respect of such acts of omission or commission by a Company which had occurred with your knowledge, attributable through Board processes, and with your consent or connivance or where you had not acted diligently.

2.2 You shall abide by the 'Code for Independent Directors' as outlined in Schedule IV of the Act and duties of Directors as provided in the Act and in the Listing Regulations.

2.3 The Board of Directors of the Company may from time to time nominate you:

- on various Committee's and/or Sub-Committees of the Board and upon such nomination you would be expected to serve on such Committee(s) in accordance with the scope and terms of reference of such Committee as may be approved by the Board from time to time;
- as an Independent Director on the Board of any of the Subsidiary(ies) of the Company and upon such appointment, you would be expected to serve on the Board of such subsidiary company(ies) as its Independent Director. Such Indian Subsidiary Company may issue requisite appointment letter in accordance with Section 149 of the Act.
- as Director on the Board of any unlisted material subsidiary, whether incorporated in India or not
- Unless approved by the Board otherwise, your nomination and appointment in any of the Committee(s) or on the Board of such Subsidiary (ies) or unlisted material subsidiary, whether incorporated in India or not shall automatically terminate upon termination of your appointment as a Director of the Company.

2.4. The Independent Directors shall comply with various Codes and Policies applicable to Directors and approved by the Board / Board Committee's from time to time.

3. Separate meetings

- The Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of non-Independent Directors and members of management;
- All the Independent Directors of the Company shall strive to be present at such meeting;

- The meeting shall:
 - review the performance of non-Independent Directors, the Board as a whole and committees;
 - review the performance of the Chairperson of the company taking into account the views of executive directors and non-executive directors;
 - assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

4. Time Commitment

Considering the nature of the role of a Director, it is difficult for a Company to lay down specific parameters on time commitment. You agree to devote such time as is prudent and necessary for the proper performance of your role, duties and responsibilities as an Independent Director.

5. Remuneration

- 5.1 As an Independent Director of the Company, you shall be paid sitting fees for attending the meeting(s) of the Board and/or the Committees to which you may be nominated as a member including commission, if any, as a Non-Executive Director. The Sitting Fee payable for attending the Board and its Committee will be decided by the Board from time to time in accordance with the Act and the Listing Regulations.
- 5.2 The Company shall pay or reimburse reasonable expenditure that you may have incurred while performing your role as an Independent Director of the Company. This will include reimbursement of any expenditure incurred by you for attending Board/Committee meetings, General Meetings, Meetings with the Management, site visits, induction and training (organized by the Company for Directors) and subject to prior consent of the Board, in obtaining any professional advice from independent advisors in furtherance of your duties as an Independent Director.

6. Insurance

The Company has in place Directors and Officers Liability Insurance Policy. The Company shall maintain such cover for the full term of association as the Independent Directors of the Company. The Company shall maintain such cover for the full term of association as the Independent Directors of the Company. The policy, inter alia, protects the Directors and Officers against claims arising from decisions and/or actions taken in the course of managing the business of the Company, subject to terms and conditions set out in the policy document.

7. Induction and Development

The Company may, if required, conduct formal induction program for its Independent Directors which may include any or all of the following:

- Board roles and responsibilities, whilst seeking to build working relationship among the Board members;
- Company's vision, strategic direction, core values, ethics and corporate governance practices; and
- Familiarization with financial matters, management team and business operations;

An Independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the company's business. The Company shall, 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.

8. Performance Appraisal / Evaluation Process

As a member of the Board, your performance as well as the performance of the entire Board and its Committees shall be evaluated annually. Evaluation of each director will be done by all the other directors. The criteria for evaluation shall be determined by the Nomination and Remuneration Committee and disclosed in the Company's Annual Report. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board/Committee. An indicative list of factors that may be evaluated as part of this exercise shall include:

- Participation and contribution by a director, in meeting(s) of the Board and/or Committees;
- Commitment (including guidance provided to senior management outside of Board/Committee meetings);
- Effective deployment of knowledge and expertise;
- Integrity and maintenance of confidentiality;
- Independence of behaviour and judgment; and
- Impact and influence.

9. Disclosures, other directorships and business interests

During the term, you agree to promptly:

- notify the Company of any change in your other directorships / shareholding etc., and provide such other disclosures and information as may be required under the applicable laws;
- disclose particulars, if any, of any potential conflict of interest with your position as an Independent Director of the Company;
- provide a declaration under Section 149(7) of the Act, upon any change in circumstances which may affect your status as an Independent Director;
- 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;
- Disclose to the Compliance Officer, the names, PAN or any other identifier authorized by law, phone, mobile and cell numbers of your immediate relatives and with whom you share a material financial relationship on an annual basis i.e by April 30th every year and as and when the information changes i.e. within 30 days from such changes.

10. Confidentiality

- 10.1 You must apply the highest standards of confidentiality and not disclose any confidential information concerning the Company, its subsidiary and any other Group Companies with which you may come in contact by virtue of your position as a Non-Executive Independent Director of the Company. Your obligation of confidentiality shall survive termination or cessation of your directorship with the Company.
- 10.2 Your attention is drawn to the applicability of both, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time and the Share Dealing Code of the Company, prohibiting disclosure or use of unpublished price sensitive information relating to or involving the Company. Consequently you should avoid making any statement or carry out any activity that might risk a breach of these requirements.
- 10.3 Additionally, you shall not participate in any business activity which might impede the application of your independent judgment in the best interests of the Company.

11. Termination

- 11.1 Your directorship on the Board of the Company shall terminate or cease in accordance with law. Apart from the grounds of termination as specified in the Act, your directorship may be terminated for violation of any provision of the Code of Conduct and/or Share Dealing Code as applicable to Non-Executive Independent Directors in the Company.
- 11.2 You may resign from the directorship of the Company by giving a notice in writing to the Company stating the reasons for such resignation and such other disclosure as required in the

Act and Listing Regulations. The resignation shall take effect from the date on which any such notice of resignation is received by the Company or the date, if any, specified by you in the notice, whichever is later.

- 11.3 If at any stage during the term of your appointment as ‘Independent Director’, there is a change that may affect your status as an Independent Director as envisaged in Section 149(6) of the Act or you fail to meet the criteria for “independence” under the provisions of the Listing Regulations, you agree to promptly submit your resignation to the Company with effect from the date of such change.
- 11.4. On termination of the appointment you will deliver back to the Company all books, documents, papers and other property of or relating to the business of the Company or its subsidiary or any other group Company which are in your possession, custody or power by virtue of your position as a Non-Executive Independent Director of the Company.

12. Co-operation

In the event of any claim or litigation against the Company, based upon any alleged conduct, act or omission on your part during your term, you agree to render all reasonable assistance and co-operation to the Company and provide such information and documents as are necessary and reasonably requested by the Company or its counsel.

13. Miscellaneous

- 13.1 This letter represents the entire understanding, and constitutes the whole agreement, in relation to your appointment and supersedes any previous agreement, if any, between yourself and the Company with respect thereto and, without prejudice to the generality of the foregoing, excludes any warranty, condition or other undertaking implied at law or by custom.
- 13.2 No waiver or modification of this letter shall be valid unless issued by the Company and accepted by you.
- 13.3. As per Listing Regulations, if applicable, terms of your appointment as an Independent Director along with your detailed profile as may be required will be disclosed on the website of the Company and/or the relevant stock exchanges, till the term of your appointment.

Version	Approval Date	Effective Date	Description of Changes
1.0	March 31, 2023	April 01, 2023	Adoption of Terms and Conditions of Appointment of Independent Directors of Allcargo Terminals Limited