

MAHINDRA LOGISTICS LIMITED
CONSTITUTION, POWERS, ROLE AND RESPONSIBILITIES OF BOARD COMMITTEES

SUMMARY OF BOARD COMMITTEE CONSTITUTION AS ON 31 DECEMBER 2020

Committees	V. S. Parthasarathy	Rampraveen Swaminathan	Parag Shah	S. Durgashankar	Ajay Mehta	Darius Pandole	Ranu Vohra	Avani Davda	Malvika Sinha	Naveen Raju	Yogesh Patel
Audit Committee	PI	-	PI	M	C	M	-	M	M	-	-
Nomination and Remuneration Committee	M	-	M	-	M	C	M	-	-	-	-
Risk Management Committee	-	M	M	-	-	-	M	C	M	-	PI
Stakeholders' Relationship Committee	-	-	M	M	-	C	-	-	-	M	-
Corporate Social Responsibility Committee	PI	-	M	M	-	-	C	-	-	M	-
Investment Committee	-	M	M	-	-	C	-	-	-	-	-

C= Chairperson; M = Member, PI = Permanent Invitee

SUMMARY OF COMMITTEE MEETINGS FY 2020-21

Committees	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>
Audit Committee	20 May 2020	30 July 2020	30 October 2020	
Nomination and Remuneration Committee	20 May 2020	29 July 2020	30 October 2020	
Risk Management Committee	-	29 July 2020	-	
Stakeholders' Relationship Committee	20 May 2020	-	-	
Corporate Social Responsibility Committee	20 May 2020	-	-	
Investment Committee	27 June 2020	-	-	

BRIEF CHANGES IN COMPOSITION/CHARTER OF BOARD COMMITTEES DURING 9 MONTHS ENDED 31 DECEMBER 2020

- Ms. Malvika Sinha – Inducted as Member of Audit Committee and Risk Management Committee w.e.f. 30 October 2020;
- Mr. Naveen Raju – Inducted as Member of Stakeholders' Relationship Committee and Corporate Social Responsibility Committee w.e.f. 30 October 2020;
- Mr. Yogesh Patel – Ceased to be Member and appointed as Permanent Invitee of Risk Management Committee w.e.f. 30 October 2020;

DETAILED CONSTITUTION, POWERS, ROLE AND RESPONSIBILITIES OF BOARD COMMITTEES

AUDIT COMMITTEE

Constitution:

- Mr. Ajay Mehta - Chairman and Independent Director
- Mr. Darius Pandole - Member and Independent Director
- Ms. Avani Davda - Member and Independent Director
- Mr. S. Durgashankar - Member and Non-Executive Director
- Ms. Malvika Sinha - Member and Independent Director

Permanent Invitees:

- Mr. V. S. Parthasarathy - Non-Executive Director
- Mr. Parag Shah- Non-Executive Director

Meeting requirements:

At least four times in a year

Quorum:

Two or one-third of the Members of the Audit Committee whichever is **greater**, but there should be a minimum of two independent members present

Terms of reference of the Audit Committee:

The roles and responsibilities of the Audit Committee include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, the financial statements with respect to its unlisted subsidiary (ies), in particular investments made by such subsidiary(ies);
5. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - (b) Changes, if any, in accounting policies and practices and reasons for the same;
 - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) Significant adjustments made in the financial statements arising out of audit findings;

- (e) Compliance with listing and other legal requirements relating to financial statements;
 - (f) Disclosure of any related party transactions; and
 - (g) Modified opinion(s) in the draft audit report.
6. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
 7. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 8. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit Process;
 9. Approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;
Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2 (Zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.
 10. Scrutiny of inter-corporate loans and investments;
 11. Valuation of undertakings or assets of the Company, wherever it is necessary;
 12. Evaluation of internal financial controls and risk management systems;
 13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 14. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 15. Discussion with internal auditors of any significant findings and follow up there on;
 16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
 17. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 18. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

19. Recommending to the Board of Directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
20. Reviewing the functioning of the vigil mechanism;
21. Overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
22. Approval of appointment of chief financial officer (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate; and
23. Review utilization of loans and/or advances from/investment by the holding company in the subsidiary (including foreign subsidiaries), which exceeds Rs. 100 crores or 10% of the asset size of the subsidiary, whichever is lower, including existing loans/advances/ investments.
(with effect 2 August 2018)
24. Carrying out any other functions required to be carried out by the Audit Committee in terms of applicable law.

Further, the Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and
6. Statement of deviations in terms of the SEBI Listing Regulations:
 - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the SEBI Listing Regulations;
 - (b) Annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of the SEBI Listing Regulations.

The Audit Committee shall have the authority to investigate into any matter in relation to the items specified under the terms of reference or such other matter as may be referred to it by the Board and for this purpose, shall have full access to information contained in the records of the Company and shall have power to seek information from any employee, obtain external professional advice, and secure attendance of outsiders with relevant expertise if necessary;

NOMINATION AND REMUNERATION COMMITTEE

Constitution:

- Mr. Darius Pandole - Chairman and Independent Director
- Mr. Ajay Mehta – Member and Independent Director
- Mr. Ranu Vohra - Member and Independent Director
- Mr. V. S. Parthasarathy - Member and Non-Executive Director
- Mr. Parag Shah- Member and Non-Executive Director

Meeting requirements:

At least once in a year

Quorum:

Two Members or one-third of the Members of the Committee, whichever is **greater**. With effect from 1st April 2019, the quorum of the Committee must include at least one Independent director.

Terms of reference of the Nomination and Remuneration Committee:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:
 - The level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
2. Formulation of criteria for evaluation of independent directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance (including independent director);
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of directors;
6. Recommend to the Board, all remuneration, in whatever form, payable, to Senior Management of the Company.
*Explanation: Senior Management shall have the same meaning as defined in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (*with effect from 1 April 2019*) and
7. Carrying out any other functions required to be undertaken by the Nomination and Remuneration Committee under applicable law.

RISK MANAGEMENT COMMITTEE

Constitution:

- Ms. Avani Davda – Chairperson and Independent Director;
- Mr. Ranu Vohra - Member and Independent Director;
- Mr. Parag Shah – Member and Non- Executive Director;
- Mr. Rampraveen Swaminathan – Member and Managing Director & CEO;
- Ms. Malvika Sinha - Member and Independent Director

Permanent Invitee:

- Mr. V. S. Parthasarathy – Chairman and Non-Executive Director
- Mr. Yogesh Patel – Chief Financial Officer

Quorum:

Two Members

Meeting requirements:

At least once in a year

The terms of reference Risk Management Committee:

1. To monitor and review the risk assessment, mitigation and risk management plan for the Company from time to time;
2. To oversee establishment and implementation of the risk management policy of the Company;
3. To review and recommend to the Board the modifications to the Risk Management Policy/Framework;
4. To review the effectiveness of the risk management framework in identifying and managing risks and internal processes which include but not limited to ensuring the adequacy of risk management policy and infrastructure to facilitate the implementation of action plans for risk management;
5. To recommend to the Board a cyber security framework to identify, manage and mitigate cyber security related risks and to implement, monitor and review the cyber security framework;
6. Carrying out any other functions required to be carried out by the Risk Management Committee in terms of applicable laws.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Constitution:

- Mr. Darius Pandole - Chairman and Independent Director
- Mr. S. Durgashankar - Member and Non-Executive Director
- Mr. Parag Shah - Member and Non-Executive Director
- Mr. Naveen Raju - Member and Non-Executive Director

Quorum:

Two Members or one-third of the Members of the Committee, whichever is **greater**. With effect from 1st April 2019, the quorum of the Committee must include at least one Independent director.

The terms of reference Stakeholders Relationship Committee:

1. Considering and resolving grievances of shareholders, debenture holders and other security holders;
2. Redressal of grievances of the security holders of the Company, including complaints in respect of allotment of Equity Shares, transfer of Equity Shares, non-receipt of declared dividends, annual reports, balance sheets of the Company, etc.;
3. Allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities;
4. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.; and
5. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc; *(with effect from 1 April 2019)*
6. Review of measures taken for effective exercise of voting rights by shareholders; *(with effect from 1 April 2019)*
7. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent; *(with effect from 1 April 2019)*
8. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company. *(with effect 1 April 2019)*
9. Carrying out any other functions required to be undertaken by the Stakeholders Relationship Committee under applicable law.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Constitution:

- Mr. Ranu Vohra - Chairman and Independent Director
- Mr. S. Durgashankar - Member and Non-Executive Director
- Mr. Parag Shah- Member and Non-Executive Director
- Mr. Naveen Raju - Member and Non-Executive Director

Permanent Invitee:

- Mr. V. S. Parthasarathy - Non-Executive Director

Quorum:

Two Members or one-third of the Members of the Committee, whichever is **greater**

Terms of reference of the Corporate Social Responsibility Committee:

1. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and any amendments thereto;
2. Recommend the amount of expenditure to be incurred on the activities referred to in clause (1); and
3. Monitor the Corporate Social Responsibility Policy of the Company from time to time.
4. To formulate and recommend to the Board for its approval and implementation, the Business Responsibility ("BR") Policy (ies) of the Company covering the following 9 principles and to amend/revise the same as may be required by the Listing Regulations from time to time:
 - a. Businesses should conduct and govern themselves with Ethics, Transparency and Accountability;
 - b. Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle;
 - c. Businesses should promote the wellbeing of all employees;
 - d. Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised;
 - e. Businesses should respect and promote human rights;
 - f. Business should respect, protect, and make efforts to restore the environment;
 - g. Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner;
 - h. Businesses should support inclusive growth and equitable development;
 - i. Businesses should engage with and provide value to their customers and consumers in a responsible manner.
5. To appoint a Director from amongst the Committee Members of the CSR Committee who would be responsible for implementing the BR Policy (ies) and appoint a BR Head.
6. To undertake periodical assessment of the BR performance of the Company and provide feedback to the Board.
7. To review the draft of the Business Responsibility Report/mapping of the principles contained in the National Voluntary Guidelines to the disclosures made in the Sustainability Report, if

any, and recommend the same to the Board for its approval and inclusion in the Annual Report of the Company for the Financial Year ended 31st March, 2018, and every year thereafter, if statutorily required under Regulation 34 (2) (f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

8. For effective implementation of all the above, the CSR Committee be authorised to perform all or any of the following functions:
 - (a) secure attendance of such other Directors of the Company or such other persons or professionals with relevant expertise to assist the Committee in its deliberations as may be considered necessary from time to time,
 - (b) delegate, in this connection, all or any of the powers herein conferred as it considers necessary to any Member of the Committee or to such other person(s) as the Committee may nominate or to any internal Committee/Council of the Company, including the power to execute such documents as may be required, within such Guidelines as the Committee may, from time to time fix;
 - (c) Any action taken pursuant to the authority conferred by this Resolution be reported to the Board from time to time.

INVESTMENT COMMITTEE

Constitution:

- Mr. Darius Pandole - Chairman and Independent Director
- Mr. Parag Shah - Member and Non-Executive Director
- Mr. Rampraveen Swaminathan - Member and Managing Director & CEO

Quorum:

At least two Directors present personally or through electronic means.

Terms of reference of the Investment Committee:

1. Receive, review and evaluate the proposal(s) from the existing promoter shareholders of Lords (“the prospective sellers”) including determining the form, terms, timing and manner of execution of the Transaction including finalising the consideration, premium or discount, to be offered and related or incidental matters, as the Committee in its absolute discretion deem fit and accept any modifications in the proposal(s) as may be in the best interest of the Company;
2. Negotiate, finalize, approve and execute any Memorandum of understanding/ binding term sheets, offers and any amendments and supplements thereto;
3. Prepare, finalize, approve, sign and execute the Memorandum of Understanding(s), Letter of Intents, Shareholders’ Agreement(s), Share Purchase Agreement(s), and confidentiality agreements, any other agreements, contracts, deeds or documents, instruments as may be required or desirable in connection with the said Transaction (including amending, varying or modifying the same, as may be considered desirable or expedient), in accordance with all applicable laws, rules, regulations and guidelines;
4. To do all such acts, deeds, matters and things and execute all such other documents including making applications and seeking approvals as may be required;
5. Engage consultant(s), advisor(s), banker(s), counsel(s), advocate(s), solicitor(s), merchant banker(s), valuer(s), and all such agencies or entities, within and outside India (“Agencies”), as may be required for advising on the Transaction and to decide their fees, terms and conditions of appointment, and to modify the same, from time to time;
6. Approve and authorize all actions and sign all documents as may be deemed necessary and expedient to give full effect to this Resolution;
7. Authorise employee(s), official(s), authorized representative(s) of the Company to make, sign and submit necessary disclosures/intimations with respect to the acceptance of Binding Offer/term sheet/agreement(s) and/or on according final approval to the transaction to the Stock Exchanges and other appropriate stakeholders/regulators/authorities and comply with other statutory requirements in this regard subject to approval by the Committee, and such other approvals as may be necessary under the applicable laws;
8. Carrying out any other functions required to be carried out as authorized by the Board of the Company from time to time.
