

## Policy with respect to Obligations of Directors and Senior Management

### 1. INTRODUCTION:

The Board of Directors of Max Alert Systems Limited (“the Company”) has adopted the following policy with regard to Obligation of Directors and Senior Management. The Board may review and amend this Policy from time to time.

This policy will be applicable to the Company effective from February 6, 2016. This policy is in terms of Regulation 17 (5) (a) and 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### 2. OBJECTIVE:

The Board of Directors and Senior Management must act within the boundaries of the authority conferred upon them, and a duty to comply with the requirements of applicable laws, while discharging their duties and responsibilities.

The Principles prescribed in this Policy are general in nature, and lay down board standards of compliance and ethics, as required by Regulation 17 (5) (a) and 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### 3. DEFINITIONS:

“Board of Director” or “Board” means the Board of Directors of Max Alert Systems Limited, as constituted from time to time.

“Relative” shall have the same meaning as defined in Section 2(77) of the Companies Act, 2013

“Senior Management” shall mean personnel of the Company who are functional heads excluding Board of Directors. This would comprise all members of management level below the Board.

“Whole Time Director” shall mean Director who is in Whole Time Employment of the Company.

“Non-Executive Director” shall mean Directors who are not in Whole Time Employment of the Company.

“SEBI (LODR) Regulations, 2015” means Listing Obligations and Disclosure Requirements, Regulations, 2015 as notified by the Securities and Exchange Board of India.

“Confidential Information” means any information concerning the Company’s Business which is not in public domain and to which only Board of Directors and Senior Management have access.

#### **4. APPLICABILITY:**

This Policy shall be applicable to:

- a. The Board Members
- b. The Senior Management

#### **5. DUTIES:**

The Board of Directors and Senior Management shall:

- i. Act in accordance with the highest standard of honesty, ethics, good faith and integrity while working for the Company, and fulfill their fiduciary obligations without allowing their independence of judgement to be compromised.
- ii. Not involve themselves in making any decision on a subject matter in which a conflict of interest arises or could arise, between their personal interest and the interest of the Company. In the event of apprehending such conflict of interest, the relevant facts shall be disclosed in writing, explaining the circumstances that create the conflicts of interest, to the Board Members for further directions in the matter.
- iii. Not have any personal financial interest in works or contracts awarded by the Company, unless approved by the Board taking note of such interest.
- iv. Not (including his/her relatives/ associates) derive any undue personal benefits or advantage by virtue of his/her position or relationship with the Company.
- v. Comply with the Code of Conduct for Prevention of Insider Trading.
- vi. Not disclose to any person any confidential information unless:-
  - a. authorised to do so by the Board, or
  - b. it is required to be disclosed in accordance with applicable laws.

#### **6. OBLIGATIONS WITH RESPECT TO DIRECTORS AND SENIOR MANAGEMENT UNDER REGULATION 26 OF THE LODR, 2015:**

(i) A director shall not be a member in more than ten committees or act as chairperson of more than five committees across all listed entities in which he is a director which shall be determined as follows:

(a) the limit of the committees on which a director may serve in all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 shall be excluded;

(b) for the purpose of determination of limit, chairpersonship and membership of the audit committee and the Stakeholders' Relationship Committee alone shall be considered.

(ii) Every director shall inform the listed entity about the committee positions he or she occupies in other listed entities and notify changes as and when they take place.

(iii) All members of the board of directors and senior management personnel shall affirm compliance with the code of conduct of board of directors and senior management on an annual basis.

(iv) Non-executive directors shall disclose their shareholding, held either by them or on a beneficial basis for any other persons in the listed entity in which they are proposed to be appointed as directors, in the notice to the general meeting called for appointment of such director

(v) Senior management shall make disclosures to the board of directors relating to all material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the listed entity at large.

**Explanation-** For the purpose of this sub-regulation, conflict of interest relates to dealing in the shares of listed entity, commercial dealings with bodies, which have shareholding of management and their relatives etc.

#### **7. AFFIRMATION OF COMPLIANCE OF THE POLICY:**

As required under the Regulation 26(3) of LODR, 2015, all Directors and Senior Management shall affirm compliance with this Policy.

#### **8. DISCLOSURES AND AMENDMENTS:**

1. The policy shall be disclosed on the website of the Company and a web link thereto shall be provided in the Annual Report of the Company.
2. The Board of Directors or Committee so authorised for the purpose shall have the powers to review or amend any of the provisions of this Policy, substitute any of the provisions with a new provisions or replace this Policy entirely with a New Policy.
3. The Board may also establish further rules and procedures, from time to time, to give effect to the intent of this Policy and further the objective of good corporate governance.

**For Max Alert Systems Limited**

**Director**

