

TERMS OF REFERENCE OF VARIOUS COMMITTEES

1. Audit Committee:

The terms of reference stipulated by the Board to the Audit Committee, *inter alia*, includes the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommend appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by them;
- Review with the management, the annual financial statements and auditor's report thereon before submission to the Board for its approval, with particular reference to:
 - a) matters required to be included in the Directors' 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 judgement 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;
 - g) modified opinion(s) in the draft audit report;
- Review with the management, the quarterly financial statements before submission to the Board for approval;
- Review 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 the 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;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions with related parties of the Company;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
 - a) Review with the management, performance of statutory and internal auditors;
 - b) Review with the management adequacy of the internal control systems;
- Review 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;
- Discuss with internal auditors of any significant findings and follow-up thereon;

- Review 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;
- Discuss 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;
- Look into the reasons for substantial defaults, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Review the functioning of the Whistle Blower mechanism / oversee the vigil mechanism;
- Approval of appointment of Chief Financial Officer after assessing qualifications, experience and background, etc. of the candidate;
- Mandatorily review the following:
 - a) Management Discussion and Analysis of financial condition and results of operations;
 - b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - d) Internal audit reports relating to internal control weaknesses;
 - e) Appointment, removal and terms of remuneration of the chief internal auditor;
 - f) Statement of deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations);
 - (b) annual statement of funds utilised for purpose other than those stated in the offer document / prospectus in terms of Regulation 32(7) of the Listing Regulations;
- Review financial statements, in particular the investments made by the Company's unlisted subsidiaries, if any;
- Note report of compliance officer as per SEBI (Prohibition of Insider Trading) Regulations, 2015;
- Formulate the scope, functioning, periodicity of and methodology for conducting the internal audit;
- Review show cause, demand, prosecution notices and penalty notices, which are materially important;
- Review any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company;
- Review any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that may have negative implications on the Company;
- Details of any joint venture or collaboration agreement;
- Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business;

- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material;
- Review the utilisation of loans and / or advances from / investment by the holding company in the subsidiary exceeding Rs.100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
- Carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable;

2. Nomination & remuneration committee:

The terms of reference stipulated by the Board to the Nomination and Remuneration Committee, *inter alia*, includes the following:

- Formulate 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;
- Formulate the criteria for evaluation of performance of Independent Directors and the Board of the Directors;
- Devise a policy on Board diversity;
- Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and / or removal;
- Consider extension or continue the term of appointment of the Independent Directors on the basis of the report of performance evaluation of Independent Directors;
- Specify the manner for effective evaluation of performance of Board, its Committees and Individual Directors to be carried out either by the Board, Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
- Review Human Resource policies and overall human resources of the Company;
- Recommend / review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria;
- Administer, monitor and formulate detailed terms and conditions of the Employees' Stock Option Schemes;
- Review information on recruitment and remuneration of senior officers just below the level of Board of Directors, including appointment or removal of Chief Financial Officer and the Company Secretary;
- Review significant labour problems and their proposed solutions;
- Review significant development in Human Resources / Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc;
- Recommend to the Board, all remuneration, in whatever form, payable to senior management;
- Carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable;

3. Stakeholders Relationship Committee:

The terms of reference stipulated by the Board to the Stakeholders' Relationship Committee, *inter alia*, includes the following:

- Oversee and review all matters connected with transfer of Company's securities;
- Approve issue of duplicate shares / debentures certificates;
- Oversee the performance of the Company's Registrars and Transfer Agents;
- Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading;
- Resolve grievances of security holders of the Company including complaints related to transfer / transmission of securities, non-receipt of annual reports, non-receipt of declared dividend, issue new / duplicate certificates, general meetings etc;
- Review measures taken for effective exercise of voting rights by shareholders;
- Review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review 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 security holders of the Company;
- Carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable;

4. Risk Management Committee:

The terms of reference stipulated by the Board to the Risk Management Committee, *inter alia*, includes the following:

- Formulate / review Risk Management Plan and Risk Management Policy;
- Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- Oversee implementation/monitoring of Risk Management Plan and Policy including evaluating and validating the adequacy of risk management systems;
- Periodically review and evaluate the Risk Management Policy and Practices with respect to risk assessment and risk management processes;
- Review of cyber security and related risks;
- Keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- Review of the appointment, removal and terms of remuneration of the Chief Risk Officer;
- Powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;
- Carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable; and
- To carry out annual performance evaluation of the Committee;

5. Corporate Social Responsibility (CSR) Committee:

The terms of reference of the Committee, inter alia, include the following:

- Formulate and recommend to the Board, a Corporate Social Responsibility (“CSR”) Policy indicating activities to be undertaken by the Company in compliance with provisions of the Act and rules made thereunder;
- Recommend the amount of expenditure to be incurred on the CSR activities;
- Monitor the implementation of the CSR Policy of the Company from time to time;
- Perform such other functions as may be necessary or appropriate for the performance of its duties; and
- Carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for the performance of its duties;