

CHARTER OF BOARD AND COMMITTEES

A. Audit Committee

B. Remuneration Committee

C. Disinvestment Committee

D. Share transfer and Shareholder / Investor grievance Committee

E. Board of Directors

A. Audit Committee:

- i) 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.
- ii) Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- iii) Matters under the Directors' Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956.
- iv) Mandatory review of the following information:
 - Management discussion and analysis of financial condition and results of operations;
 - Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - Internal audit reports relating to internal control weaknesses; and
 - Appointment, removal and terms of remuneration of the Chief Internal Auditor.
- v) Reviewing with management the quarterly/annual financial statements before submission to the Board, focusing primarily on :
 - a) Any changes in accounting policies and practices.
 - b) Major accounting entries based on exercise of judgement by the management.
 - c) Qualifications in draft audit report.
 - d) Significant adjustments arising out of audit.
 - e) The going concern assumption.
 - f) Compliance with accounting standards.
 - g) Compliance with stock exchange and legal requirements concerning financial statements.

- h) Any related party transactions i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives, etc., that may have potential conflict with the interest of the company at large.
- vi) Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- vii) Reviewing the adequacy of internal audit function, 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.
- viii) Discussions with internal auditors on any significant findings and follow up thereon.
- ix) 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.
- x) Discussions with external auditors before the audit commences regarding nature and scope of the audit as well as to have post-audit discussion to ascertain any area of concern.
- xi) Reviewing the company's financial and risk management policies.
- xii) To look into the reasons for substantial defaults, if any in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- xiii) To discuss with the auditors periodically about internal control systems, the scope of audit including the observations of the auditors and review the half-yearly and annual financial statements before submission to the Board.
- xiv) To ensure compliance of internal control systems.
- xv) To review the functioning of the Whistle Blower mechanism, if any.

xvi) To frame code of conduct and related matters.

xvii) To periodically review compliance reports of all laws applicable to the Company as well as steps taken to rectify instances of non-compliances.

xviii) To review the financial statements, in particular, the investments made by the Unlisted Subsidiary Company.

xix) To review all significant transactions and arrangements entered into by the Unlisted Subsidiary Company.

xx) To lay down procedures about the risk assessment and minimization and periodically review to ensure that the executive management control risks through means of a properly defined framework.

xxi) To review uses/ applications of funds raised through public/right/preference issues by major categories vis-à-vis the purposes narrated in the offer document/ prospectus/ notice.

B. Remuneration Committee :

The Remuneration Committee shall determine on behalf of the Board and on behalf of the shareholders policy of the Company on specific remuneration packages for executive directors including pension rights and any compensation payment. The Committee shall also determine the remuneration packages of the executive directors

C. Disinvestment Committee :

The Disinvestment Committee shall review Investments of the Company. The Committee shall also decide on whether to hold the current Investments or to sell the same at a prevailing good market price.

D. Share transfer and Shareholder / Investor grievance Committee:

1. To review statutory compliance regarding share and debenture holders (Investors).
2. To review various reports related to Investors.

3. To review grievances of Investors .
4. To review transfer of shares.
5. To review transmission of shares.
6. To review deletion of names from share certificates.
7. To review consolidation of share certificates.
8. To review change of name of member on share certificates.
9. To review issue of duplicate share certificates.
10. To review dematerialisation of shares.

E. Board of Directors :

1. Call on shareholders in respect of money unpaid on their shares.
2. Issue of debentures.
3. Borrowing money otherwise than by issue of debentures.
4. Investing the funds of the company.
5. Making loans.
6. Filling casual vacancies in the office of Directors.
7. Making donation to political parties.
8. Granting loans to Directors.
9. According sanction for specified contracts in which one or more Directors are interested and to sign the Register of Contracts.
10. Disclosure of interest by a Director.
11. Receiving notice of disclosure of Director's interest.
12. Receiving notice of disclosure of Director's shareholdings.
13. Appointment or Resignation of Managing Director or Whole-time Director or Manager.
14. Appointment and removal of the Chief Financial Officer and the Company Secretary.
15. Appointment of sole-selling agents.
16. Making a declaration of solvency where it is proposed to wind up the company voluntarily.
17. Forfeiture of shares.
18. Approving the quarterly financial results.
19. Approving the half-yearly financial results,
20. Noting Minutes of Meetings of Committees of the Board,
21. Quarterly results for each operating division or business segment.
22. Annual operating plans and budgets.
23. Any material default in financial obligations.
24. Non-compliance of any regulatory / statutory provisions or listing requirements.

25. Sale of investments, subsidiaries or assets which is not in the normal course of business.
26. Show cause notices, prosecutions and penalty notices of material nature,
27. Any material effluent or pollution problems, industrial accidents, labour problems, signing of wage agreement, implementation of Voluntary Retirement Scheme, etc,
28. Any issue which involves possible public or product liability claims.
29. Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
30. Foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movements.
31. Information on recruitment and remuneration of senior officers and transfers or resignations.
32. Details of any joint venture or collaboration agreement.
33. Material liability - legal or contractual.
34. Report of the Compliance Officer regarding share transfer process and analysis of movement of bulk transfers.
35. Fixed deposit advertisements,
36. Certificate regarding compliance with various applicable laws.
37. Events which are significant or have material commercial / financial implications, such as:
 - (a) strikes, lockouts, lay-off, closure of units/factory, etc.;
 - (b) change in the general character or nature of business;
 - (c) major expansion plans or execution of new projects;
 - (d) disruption of operations due to natural calamity or Act of God;
 - (e) commencement of commercial production / commercial operations;
 - (f) developments with respect to pricing / realisation arising out of change in the regulatory framework;
 - (g) litigation / dispute with a material impact;
 - (h) revision in ratings assigned by credit rating agencies;
 - (i) issue of any class of securities;
 - (j) acquisition, merger, demerger, amalgamation, restructuring, scheme of arrangement, spin off of divisions of the company;
 - (k) change in market lot and sub-division of equity shares of the company;
 - (l) voluntary delisting of securities from the Stock Exchange(s);

- (m) default in the repayment of any deposits or redemption of any securities including debentures and in payment of interest, if any, due thereon;
- (n) any action which will result in alteration in the terms regarding redemption / cancellation / retirement in whole or in part of any securities issued;
- (o) information regarding opening, closing of status of ADR, GDR or any other class of securities issued abroad;
- (p) cancellation of dividend / rights / bonus, etc.;
- (q) formation of a subsidiary company and/or de-subsidiarisation of an existing subsidiary company.

- 38. Matters arising out of the accounts such as commission to Directors, write-offs, provisions, legal cases, etc,
- 39. Transfers to Reserves and other appropriations.
- 40. Recommendation of dividend,
- 41. Consideration of the Balance Sheet and the Profit & Loss Account as well as the abridged Accounts or statement of financial results.
- 42. Consideration of cash flow statement.
- 43. Consideration of the Directors to retire by rotation at the Annual General Meeting.
- 44. Notice of the Annual General Meeting and to authorise issuance thereof.
- 45. Appointment of Auditors and the payment of remuneration to them, to be proposed for members consideration.
- 46. Taking note of the draft Auditor's report,
- 47. Consideration of the draft Directors' Report including MDA and to authorise issuance thereof.
- 48. Opening a Bank Account for payment of dividend.
- 49. Approval of the closure of the Register of Members and the Share Transfer Books for the purposes of the Annual General Meeting.
- 50. Approval of the text of the advertisement inviting fixed deposits.
- 51. Approval of Cost Audit Report
- 52. Authority to various officers of the Company.
- 53. Any other statutory work

(Note : Above list is not exhaustive)