



Code for Board of Directors' & Board Committees

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1.1 Board Charter and Role of Board of Directors

1.1.1 Duties of the Directors

The operations of the Company are managed under the direction of the Board within the framework set by the Companies Act, 2013, the Listing Agreement with Stock Exchanges and the Articles of Association of the Company. The Board is also governed by Internal codes / procedures prescribed within the Company from time to time.

The Board represents and is accountable to the shareholders of the Company. The Board is primarily responsible to provide and evaluate the strategic direction of the Company, management policies and their effectiveness. The Board's responsibilities further include overseeing the Functioning of the Company's top management and monitoring legal compliance and the management of risks related to the Company's operations.

Board members are expected to act in good faith and with due care so as to exercise their judgment on an informed basis in what they reasonably and honestly believe to be in the best interests of the Company and its stakeholders.

1.1.1.1 Statutory Duties

The Directors are responsible for ensuring compliance with all applicable statutory requirements by the Company. For this the Board will require the management to place before itself all the relevant reports, certificates, with supporting documents as applicable to facilitate the Board or its sub-Committee to achieve this objective.

In case any violation or default by the management is observed, the Board may provide necessary direction to the management for taking corrective action and effective compliance.

1.1.1.2 Fiduciary Duties

Directorships are considered 'positions of trust' not strictly defined by any statutory law. The Board as a whole and the Directors as individuals owe certain fiduciary responsibilities to the Company as an entity and to its stakeholders. Directors are required to act in the best interests of all shareholders / stakeholders of the Company in accordance with the Memorandum and Articles of Association of the Company. The fiduciary duties of Directors within the framework of law are as under:

Duty of Loyalty to act without conflict and always put the interests of the Company before those of the individual Director

Directors should not be influenced by any financial or personal interest in the course of their dealings on behalf of or with the Company. If avoidance is impractical in a given situation then such transactions should be approved by non-interested Directors in a manner that ensures arms length Transactions including the right of the non-interested Directors to reject the transaction altogether. Independent Directors must critically review conflict- of-interest transactions.

Duty of Care to take informed decisions

Duty of Care carries personal responsibility and is owed to the Company. Duty of Care demands that Directors must exercise due care and diligence in overseeing the management of the business of the Company. Directors shall collectively and individually, act prudently in discharging their duties.

Directors are expected to attend all Board and Committee meetings. The duty of care requires that a Director informs himself of all material information reasonably available before making a business decision. This duty also requires Directors to inform themselves of alternatives to a proposed

business decision. The Directors may request for any information they deem necessary before taking any decisions.

Duty to act in good faith in accordance with the Company's codes and policies and the best governance practices

The duty of good faith requires that the Directors ensure that all the necessary processes are followed to arrive at decisions which are in the best interests of the Company.

Application of Fiduciary Duty Principles

The Directors must follow the following principles in fulfilling their fiduciary responsibilities:

- Directors should keep themselves informed of all matters related to the Company and its business affairs;
- Directors should always act collectively as a Board, or as they are specifically authorized by the Board and its Committees;
- Directors should attend and participate in meetings as far as possible;
- Directors should ask questions or voice their concerns, if any;
- Directors are responsible for their decisions on any given matter;
- Directors should not disclose confidential information unless expressly authorized to do so by the Board or its Committees or as may be required in the course of dealings on behalf of the Company;
- Directors should disclose their personal and business interest on any matter placed before the Board and abstain from voting on such matters;
- Board's decision should be reflected through its minutes and the Directors should assure that.

1.1.2 Role of the Board and Management

The Board of Directors are the apex body constituted by the shareholders for overseeing the overall functioning of the operations and functioning of the Company. The Board functions under the overall direction of the Chairman to assure that the long-term interests of the Shareholders are being served. The Chairman is assisted by the Executive Directors / senior managerial personnel in overseeing the functional matters of the Company.

Functions of the Board

The Board of Directors shall meet periodically to consider matters as required under law and to consider, review and discuss reports by management on the performance of the Company, its plans and prospects as well as immediate issues facing the company. In addition to its general oversight of management, the Board, through itself or through its Committees shall perform a number of specific functions, including:

- Selecting, advising, evaluating and compensating the chairman and overseeing top management succession planning;
- Providing counsel and oversight on the selection, evaluation, development and compensation of senior management;
- Reviewing, monitoring and where appropriate, approving financial and business strategies and major corporate actions;
- Monitoring corporate performance against strategic business plans, including overseeing

operating results on a regular basis to evaluate whether the business is being properly managed;

- Assessing major risks facing the Company and reviewing options for their mitigation / avoidance;
- Reviewing and approving material transactions not in the ordinary course of business;
- Ensuring processes are in place for maintaining the integrity of the Company by way of integrity of the financial statements, compliance with law and ethics, and integrity of relationships with customers, suppliers and other stakeholders;
- Ensuring that the Company is in compliance with all applicable statutory and legal requirements;
- Protection and enhancement of Shareholders' value.

1.1.3 Code of Conduct for Independent Directors

Principles of corporate governance require Independent Directors to review the overall strategy, oversee the performance of management and participate and arrive at an independent judgment. Their key role is to provide an unbiased, independent, varied and experienced perspective to the Board.

Guidelines of professional conduct:

An independent director shall:

- (1) uphold ethical standards of integrity and probity;
- (2) act objectively and constructively while exercising his duties;
- (3) exercise his responsibilities in a bona fide manner in the interest of the company;
- (4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- (5) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- (6) not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- (7) refrain from any action that would lead to loss of his independence;
- (8) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- (9) assist the company in implementing the best corporate governance practices.

II. Role and functions:

The independent directors shall:

- (1) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- (2) bring an objective view in the evaluation of the performance of board and management;

- (3) scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- (4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- (5) safeguard the interests of all stakeholders, particularly the minority shareholders;
- (6) balance the conflicting interest of the stakeholders;
- (7) 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;
- (8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

III. Duties :

The independent directors shall—

- (1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- (2) 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;
- (3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- (4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (5) strive to attend the general meetings of the company;
- (6) where they 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 their concerns are recorded in the minutes of the Board meeting;
- (7) keep themselves well informed about the company and the external environment in which it operates;
- (8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- (9) 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;
- (10) 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;
- (11) report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy;

(12) acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;

(13) 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 law.

IV. Manner of appointment:

(1) Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.

(2) The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.

(3) The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfils the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.

(4) The appointment of independent directors shall be formalised through a letter of appointment, which shall set out :

(a) the term of appointment;

(b) the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;

(c) the fiduciary duties that come with such an appointment along with accompanying liabilities;

(d) provision for Directors and Officers (D and O) insurance, if any;

(e) the Code of Business Ethics that the company expects its directors and employees to follow;

(f) the list of actions that a director should not do while functioning as such in the company; and

(g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.

(5) The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the company by any member during normal business hours.

(6) The terms and conditions of appointment of independent directors shall also be posted on the company's website.

V. Re-appointment:

The re-appointment of independent director shall be on the basis of report of performance evaluation.

VI. Resignation or removal:

- (1) The resignation or removal of an independent director shall be in the same manner as is provided in sections 168 and 169 of the Companies Act, 2013.
- (2) An independent director who resigns or is removed from the Board of the company shall be replaced by a new independent director within a period of not more than one hundred and eighty days from the date of such resignation or removal, as the case may be.
- (3) Where the company fulfils the requirement of independent directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

VII. Separate meetings:

- (1) 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;
- (2) All the independent directors of the company shall strive to be present at such meeting;
- (3) The meeting shall:
 - (a) review the performance of non-independent directors and the Board as a whole;
 - (b) review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
 - (c) 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.

VIII. Evaluation mechanism:

- (1) The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.
- (2) On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

1.1.4 Role of Lead Independent Director

The Lead Independent Director has the responsibility:

- To preside over all meetings of Independent Directors;
- To ensure that there is adequate and timely flow of information to Independent Directors;
- To liaise between the Chairman, the management and the Independent Directors;
- To advise on the necessity of retention or otherwise of consultants who report directly to the Board or the Independent Directors;
- To preside in meetings of the Board and shareholders when Chairman is not present or where Chairman is the interested party;
- To perform such other duties as may be delegated to the Lead Independent Director by the Board / Independent Directors.

1.2 Procedure for Selection and Appointment of the Board Members

1.2.1 Board Membership Criteria

The CGSI Committee, along with the Board, reviews on an annual basis, appropriate skills, characteristics and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience in business, government, academics, technology and in areas that are relevant for the Company's global operations.

In evaluating the suitability of individual Board members, the CGSI Committee takes into account many factors, including general understanding of the Company's business dynamics, global business and social perspective, educational and professional background and personal achievements. Directors must possess experience at policy-making and operational levels in large organizations with significant international activities that will indicate their ability to make meaningful contributions to the Board's discussion and decision-making.

Director should possess the highest personal and professional ethics, integrity and values. They should be able to balance the legitimate interests and concerns of all the Company's stakeholders in arriving at decisions, rather than advancing the interests of a particular constituency.

In addition, Directors must be willing to devote sufficient time and energy in carrying out their duties and responsibilities effectively. They must have the aptitude to critically evaluate management's working as part of a team in an environment of collegiality and trust.

The CGSI Committee evaluates each individual with the objective of having a group that best enables the success of the Company's business.

1.2.2 Selection of the Board Members / Extending invitation to a potential director to join the Board

One of the role of the CGSI Committee is to periodically identify competency gaps in the Board, evaluate potential candidates as per the criteria laid above, ascertain their availability and make suitable recommendations to the Board. The objective is to ensure that the Company's Board is appropriate at all points of time to be able to take decisions commensurate with the size and scale of operations. The CGSI Committee also identifies suitable candidates in the event of a vacancy being created on the Board on account of retirement, resignation or demise of an existing Board member.

Based on the recommendations of the CGSI Committee, the Board evaluates the candidate(s) and decides on the selection of the appropriate member.

The Board, through the Chairman / CGSI Committee then makes an invitation (verbal / written) to the new member to join the Board of Advik Industries as a Director. On acceptance of the same, the new Director is appointed by the Board.

The CGSI Committee also considers candidates recommended by shareholders, if any. Shareholders desiring to suggest candidates for appointment as Directors should submit their suggestions in writing to the attention of the chairman. This request should include the candidate's name and qualifications for service as a Board member, along with a document signed by the candidate indicating his willingness to serve, if elected. The CGSI Committee may seek further information / supporting documents for consideration of the candidate.

Any such appointment of Directors by the Board is recommended to the shareholders for their approval.

1.2.3 Board Orientation and Induction

New directors appointed by the Board shall be given formal induction and orientation with respect to the Company's vision, strategic direction, core values including ethics, corporate governance practices, financial matters, and business operations. The management shall facilitate the new appointee to get familiar with the Company's operations.

The management will also provide all the necessary documents / brochures, reports and internal policies including this Corporate Governance Manual to the new members so that they get acquainted with various procedures and practices in the Company.

The Board also recognizes the importance of continuous education to its Directors. The Board is committed to provide training avenues to its members on matters, which are current and relevant for the Board's effective performance. These include training on technical aspects like industry developments, new accounting standards, financial policies, corporate governance developments and compliance thereof, business-specific opportunities, associated risks and mitigation strategies. These training programs may be conducted in-house by the Company's internal experts in the relevant field or by external agencies.

The Board lays particular emphasis on improving its governance standards on an ongoing basis keeping in mind the new regulations introduced by relevant authorities from time to time and global best governance practices.

In furtherance of this goal, Board members will be encouraged to periodically attend training programs / seminars / discussion forums to understand leading-edge corporate governance issues and make suggestions for improving the prevalent governance practices.

1.3 Board Structure and Performance

1.3.1 Size of the Board

The CGSI Committee assists the Board in determining the optimum Board size at any point of time within the legal framework. The Board believes that its present 6-member size is adequate, given the Company's current scale of operations and desired competencies of the Board members.

Current Requirements

- Section 149 of the Companies Act, 2013 prescribes that every public limited company shall have at least 3 Directors
- The Listing Agreement does not specify any minimum or maximum size of the Board.
- The Articles of Association of the Company prescribes that the Company can appoint up to 12 Directors.

1.3.2 Board Composition

The Board has an Non-Executive Chairman. The composition of the Board shall include such minimum number of Independent Directors as mandated in law.

Current Requirements

Section 149 of the Companies Act, 2013 says that at least one third of total number of director shall be Independent director.

Clause 49.I (A) of the Listing Agreement provides that the number of Independent Directors would depend on whether the Chairman is Executive or Non-Executive. In case of a Non-Executive Chairman, at least one-third of the Board should comprise of Independent Directors and in case of an Executive Chairman, at least half of the Board should comprise of Independent Directors.

1.3.3 Board definition of what constitutes Independence for Directors

For a Director to be considered Independent, the Board determines that the Director does not have any direct or indirect material pecuniary relationship with the Company. The Board has adopted guidelines to determine independence, which are in line with the applicable legal requirements as stated below. The Company also obtains an undertaking from every Independent Director confirming that they meet the requirements of an Independent Director as per the Listing Agreement.

Apart from the provisions laid out under the Listing Agreement, the Board also considers all relevant facts and circumstances, not merely from the standpoint of the Director but also from that of persons or organizations with which the Director has an affiliation, in forming an opinion on the independence of the concerned Director(s).

In order to avoid any conflict of interest, the Board discourages any kind of transaction, material or not, with its independent members. In case the Company is required to enter into such a transaction with a Director or any person associated with him, the Board follows a strict procedure as laid down in its policy for "Code of Business Conduct and Ethics for Directors and Senior Management" of the Company to ensure that the transaction is at arms length and in the best interest of the Company.

Current Requirements

As per Section 149(6) of the Companies Act, 2013 An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director,--

(a) who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;

(b) (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;

(ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;

(c) who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;

(d) none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;

(e) who, neither himself nor any of his relatives--

(i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;

(ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of--

(A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

(B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;

(iii) holds together with his relatives two per cent. or more of the total voting power of the company; or

(iv) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives twenty-five per cent. or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the company; or

(f) who possesses such other qualifications as may be prescribed.

Explanation to Clause 49 I(A) of the Listing Agreement defines 'independence' as regards to Independent Directors as 'absence of any material pecuniary relationship, apart from receipt of Director's remuneration, either with the Company or its promoters or its management or its subsidiaries, which in the judgment of the Board of Directors of the Company may affect the independence or judgment of the Independent Director.

Clause 49 I (A) (iii) of the Listing Agreement lays down the following test for 'independence'

- (a) Apart from receiving Director's remuneration, does not have any material pecuniary relationships or transactions with the company, its promoters, its Directors, its senior management or its holding company, its subsidiaries and associates which may affect independence of the Director;
- (b) Is not related to promoters or persons occupying management positions at the Board level or at one level below the Board;
- (c) Has not been an executive of the company in the immediately preceding three financial years;
- (d) Is not a partner or an executive or was not a partner or an executive during the preceding three years, of any of the following:
 - The statutory audit firm or the internal audit firm that is associated with the company, and
 - The legal firm(s) and consulting firm(s) that have a material association with the company.
- (e) Is not a material supplier, service provider or customer or a lessor or lessee of the company, which may affect independence of the Director; and
- (f)** Is not a substantial shareholder of the company i.e. owning two percent or more of the block of voting shares.

Format of undertaking is as under:

The Compliance Officer
Advik Industries Limited

□

Sub: Declaration by Independent Director

I, _____, do certify that I am holding the position on the Board of Advik Industries Limited as an Independent Director. I further certify that I continue to meet all the requirements specified under sub-clause I(A)(iii) of Clause 49 of the listing agreement for holding the position of Independent Director.

Date:

Signature:
Name of Director
DIN:

1.3.4 Limits on outside Board Memberships

The Board expects its members to have adequate time and resources to contribute to effective Board performance. Accordingly its members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with his role as a director of the Company. The CGSI Committee takes into account the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of individual Directors and making its recommendations to the Board. No Board member should be a member of more than 10 mandatory Committees or act as Chairman of more than five mandatory Committees across all companies in which he holds directorships.

The Board shall encourage active participation by all its members in meetings. To achieve that objective, a tentative schedule of the Board and Committees' meetings in a particular financial year is planned at the beginning of the year, in consultation with the Board members, to facilitate their availability for the same. In addition to mandatory disclosures all Non-Executive and Independent Directors shall disclose their association with any other company which, in their judgement, may lead to conflict of interest with the Company. All other Directors / Senior Management are required to obtain approval from the Board before accepting any other directorship / assignment in any Company other than Reliance Group Companies, Subsidiaries, Associates etc.

Current Requirements

- Section 165 of the Companies Act, 2013 provides for a person to hold directorships in not more than 20 companies, provided that the maximum number of public company in which a person can be appointed as a director shall not exceed Ten.
- In terms of Section 184 of the Companies Act, 2013, Directors are required to furnish annual disclosure of interest they or their relatives hold in other companies and firms.

1.3.5 Declarations to be given by Board members

Sl.	Relevant Sec. / Rule / Reg.	Particulars	Periodicity
1	Sec. 264 of the Companies Act, 1956	Consent to be appointed as Director to be filed with Company and Registrar of Companies.	Before accepting the appointment as Director
2	Sec. 184 of the Companies Act, 2013	Disclosure of interests by Director to the Company	General notice to be given at the time of joining the Board; [Immediate] As and when there is a change in interests; General notice to be given during the first board meeting of every financial year.
3	Reg. 13(2) of the	Disclosure of interest or holding	At the time of joining

	SEBI (Prohibition of Insider Trading) Regulations, 1992	by Directors	the Board [within 2 working days] in Form B of SEBI (Prohibition of Insider Trading) Regulations, 1992
4.	Reg. 13(4) of the SEBI (Prohibition of Insider Trading) Regulations, 1992	Disclosure of interest or holding by Directors	Change in holding since the last disclosure, when the change exceeds Rs. 5 lakhs in value or 2,000 shares or 1% of total shareholding or voting rights whichever ever is lower in Form D of SEBI (Prohibition of Insider Trading) Regulations, 1992
4	Clause 49 of the Listing Agreement	Declaration from Independent Director	Annual declaration

1.3.6 Tenure of Board Members

1.3.7 Term Limits

The Board does not believe that it should limit the number of terms for which an individual may serve as a Director. Directors who have served on the Board for an extended period of time may be able to provide valuable insights into the operations and future of the Company based on their experience with and understanding of the Company's history, policies and objectives. The Board believes that, as an alternative to term limits, it can ensure that the Board continues to evolve and adopt new viewpoints through the nomination process described earlier in this Manual.

Current Requirements

- Sections 152 of the Companies Act, 2014 provide for a method for appointment of Directors who shall be liable to retire by rotation. Section provides that 2/3rd of the Board of Directors is considered to be Directors liable to retire by rotation [Directors other than those employed by the Company], of which 1/3rd shall retire at every annual general meeting of the Company and the Company shall have an option to re-appoint the retiring Directors or appoint someone else in their place.

1.3.7.1 Retirement Policy

The Board believes in having a healthy mix of age and experience and therefore does not prescribe a minimum or maximum age limit for its Board members apart from what is laid down under the Companies Act, 1956.

1.3.8 Succession planning

A planned programme of recruitment and retirement amongst board members and senior management is of significant importance.

It is an important part of the Board's work to ensure that there is adequate management development and succession planning particularly at the top levels. Succession planning also involves an assessment of the challenges and opportunities facing the company, and an evaluation of the skills and expertise that will be needed in the future.

The nomination committee is to provide support on this. Both executive and non-executive requirements shall be considered. The committee shall satisfy itself that processes and plans are in place for orderly succession for appointments to the board and to senior management to maintain an appropriate balance of skills on the board.

In addition, the annual appraisal assessment process for all the employees including the senior management personnel has succession planning and employee progression as one of the key attributes.

The process is institutionalized in the Company's HR framework and by design, it is the responsibility of the superiors to identify the succession path and suggest the training and development of skill necessary for the Company executives or suggest new recruitment wherever gaps exist.

1.3.9 Compensation to Directors

The Board has constituted a 'Remuneration Committee' comprising Independent Directors to recommend / review remuneration of Managing Directors and Whole time Directors based on their performance and defined assessment criteria. The Executive Directors of the Company are remunerated by way of salary, perquisites, commission, contribution to Company's Provident Fund, Superannuation or Annuity Fund, to the extent not taxable and Gratuity and encashment of leave at the end of tenure, as per the rules of the Company and to the extent not taxable.

The Non-Executive Directors are entitled to sitting fees for attending each Board or Committee meeting. The Non- Executive Directors are also entitled to a commission up to a certain percentage of net profits in such proportion as may be decided by the Board, as approved by the shareholders. Members may also be paid / reimbursed such sums either as fixed allowance and/or actual as fair compensation for travel, boarding and lodging and incidental and /or actual out of pocket expenses incurred by such member for attending Board / Committee meetings. The CGSI Committee is entrusted with the role of reviewing the compensation of Non-Executive Directors.

The Company has not granted stock options to its Directors. Changes in Board compensation, if any, arise out of the recommendation of the Remuneration Committee with necessary approvals by the Board and shareholders.

Current Requirements

- Section 197(5) of the Companies Act, 2013 provides for remuneration by way of a fee to a Director for attending meetings of the Board of Directors or Committee thereof. In terms of

the said section, the Company pays its Non-Executive Directors a sum of Rs. 250/- towards sitting fees.

- Section 197 and Schedule V of the Companies Act, 2013 set out the limits of remuneration to be paid to Managing Directors and Whole-time Directors of the Company.

1.3.10 Loans to Directors and Executive Officers

The Company shall not make any personal loans or extend any credit to Directors or executive officers.

Current Requirements

- Section 185 of the Companies Act, 2013 prescribes restrictions on loans as well as guarantees and securities to be given to Directors and their relatives and associates.

1.3.11 Disclosure of Advik Industries shareholding by Directors

The Company periodically receives disclosures from its Directors on the details of shares / debentures of the Company / its subsidiaries / its holding Company / its fellow subsidiary Company(ies), held / acquired / sold, by them or by any other person on their behalf. The position of Directors' holdings as at the end of a financial year is incorporated in the Annual Report.

Current Requirements

- The Directors of the Company are required to give disclosures in terms of the Companies Act, 1956 and Advik Code of Conduct for Prohibition of Insider Trading.

1.3.12 Meetings of Independent Directors

The Independent Directors of the Company shall meet from time to time as they may deem appropriate. These meetings will be conducted without the presence of Executive Directors or management personnel. These meetings would be conducted in an informal, flexible manner to enable the Independent Directors to discuss various matters pertaining to the affairs of the Company and put forth their views to the Lead Independent Director. The Lead Independent Director shall take appropriate steps to present such views before the Chairman or the Board. These meetings could be held prior to or after Board meetings. The Independent Directors are free to call for such meetings at any point of time, as desired.

These discussions may include such other topics as the Independent Directors deem fit. The proceedings of such meetings may not form part of Company records.

The Board believes that these meetings are critical to ensure highest degree of involvement and contribution from Independent Directors in the decision making process of the Company.

1.1.13 Access to outside Advisors / Auditors

The Board and its Committees have the right to appoint any external agency, advisors / experts to assist in the decision making process. The Board can appoint such persons / agencies based on its own experience or as per the recommendations of the senior management. These advisors directly report to the Board and present their findings / suggestions directly, as per their terms of reference

given by the Board. In case the Board so desires it can delegate the power of appointing an external agency or deciding its terms of reference to the senior management. The fees and expenses of any such advisors will be borne by the Company.

The objective of the above is to provide Board members with requisite information to assist in their decision making process. The objective is also to provide the Board members with an opinion, independent from the management, on the alternative decision points available to the Board and the pros and cons of the same.

Current Requirements

- Clause 49 II C (3) of the Listing Agreement empowers the Audit Committee to seek outside legal or other professional advice to aid effective discharge of its duties.

1.3.14 Ethics and Conflicts of Interest

The Board has approved the “Code of Business Conduct and Ethics for Directors and Senior Management” of the Company and “Advik Code of Conduct for Prohibition of Insider Trading”. These documents are part of this Manual and are provided in Annexures I and II.

All the Directors, officers and employees are required to adhere to the Code of Conduct as approved by the Company. No Non-Executive Director will provide any personal services to AIL for any compensation, other than in connection with serving as AIL Director, without prior approval of the Board. If an actual or potential conflict of interest arises for a Director, the Director shall promptly inform the Chairman and the Lead Independent Director and the CGSI Committee shall endeavour to resolve the same. Directors shall not participate in any discussion or decision affecting their personal, business or professional interests.

Current Requirements

Clause 49 I (D) of the Listing Agreement provides that every Company shall have a Code of Conduct for Directors and Senior Management, the code shall interalia encompass the ethics and fair dealing policies of the Company and all Board members and senior management personnel are required to annually confirm compliance with the Code. A declaration to this effect shall be made by the CEO in the Annual Report of the Company.

1.3.15 Board's interaction with Institutional Investors, Press, Customers, etc.

All communications to the media, investors or any public interaction in any form shall be as authorized by the Board, the Chairman or the CGSI Committee. All written communications to the media shall be as per the Company's policies and through the prescribed channels. Only such persons as authorized from time to time shall be entitled to interact on behalf of the Company with these agencies. Information on the Company disseminated in any other manner shall be considered as a breach of the Company's code of conduct and appropriate action shall be taken to avoid recurrence.

If comments from the Board are required, none of the Directors or employees shall voluntarily respond unless previously authorized.

There is no specific policy issued by the Central Government or SEBI in this regard.

1.4 Board Leadership

1.4.1 Selection of Chairman and Chief Executive Officer

The Board is free to decide who will be the Chairman or Chief Executive Officer, in the best interests of the Company. Presently, Shri Virender Kumar Agarwal, is the Chairman of the Company.

1.4.2 Selection of Lead Independent Director

The Independent Directors of the Company designate one amongst themselves as a Lead Independent Director. The Lead Independent Director is the spokesperson of the Independent Directors. The Lead Independent Director will hold office till such time as may be decided by the Independent Directors. The Executive Directors will not participate in the selection of the Lead Independent Director. Role of the Lead Independent Director is explained in the section 1.4 of this Manual.

1.5 Board interaction with Senior Management

In addition to the Executive Directors, senior management of the Company, like, the heads of finance, accounts, different businesses, members of the audit cell, and such other persons may be invited to attend Board meetings in which matters related to their function is to be discussed. This enables the Board members to have complete information and seek clarifications to any queries that they may have. The business heads may be requested to make presentations to the Board on key developments in their specific areas and project-based information. Independent Director may also request for other executives to be called upon to provide necessary clarifications if required. Directors are also entitled to call upon any executive to have a one to one discussion on any matter. Directors may request the Company Secretary to arrange for such meeting or directly approach the concerned executive.

In the event of non-availability of an executive, the presence of whom is considered essential by the Board members for decision-making, the Board may defer the decision, till such availability unless they are provided with the necessary information otherwise.

Current Requirements

Clause 49 II (A) (v) provides that the Audit Committee may invite such executives, as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the Committee.

1.6 Meeting Procedures

1.6.1 Board Meetings

1.6.1.1 Pre-scheduled Board meetings

The Board meets at least 6 times every year based upon a schedule established at the last meeting of the previous year. At the Board meeting held in the month of March every year, the Board approves key issues of strategy, risk and business plan for the next year. The Board also approves the schedule of meetings for the next financial year and major items to be discussed at such meetings.

The main business to be considered in all such meetings will be as follows:

Month of meeting	Main business to be considered
April	Audited financial results for the previous financial year Appointment of Statutory Auditors Appointment of Directors in place of retiring Directors
July	Quarterly results
October	Half Yearly results
November January	Mid-term review Quarterly results
March	Annual operating plans & budgets for the next financial year

1.6.1.2 Urgent Board meetings

Apart from the pre-scheduled Board Meetings, the Company may for the purpose of urgent matters, convene additional Board Meetings at any time during the year. However, such meetings shall be convened only upon justification of the urgency of the subject matter and with the prior approval of the Chairman and in consultation with other Directors.

1.6.2 Selection of Agenda Items for Board Meetings

The Agenda for the Board meeting is decided keeping in mind that the meetings focus primarily on the matters requiring legal / statutory compliance, policy decisions and on items that are truly the Board's responsibility. The following procedure is followed for the selection and finalization of Agenda for Board meetings:

Reminder by Secretarial Division:

The Secretarial Division sends an advance intimation / reminder of the meeting (at least 20 days in advance) to all the other divisions requesting for submission of items to be considered in the next Board meeting.

Submission of Details by respective divisions:

The respective divisions send the details, in writing, with respect to the items required to be placed at the next Board meeting along with supporting documents to facilitate meaningful discussion and deliberations at the Board meetings. These details are received at least 15 days before the Board meeting. The following minimum details are required to be furnished:

- Brief introduction on the proposal to be placed before the Board;
- Need and justification of the proposal;
- Relevant legal and statutory provisions applicable to the matter;

- Advantages / implications of the proposal;
- Proposed execution timings;
- Cost –benefit analysis;
- Need for frequent / supplemental/ interim approval / sanctions, if any, and whether a Committee needs to be constituted;
- Delegation of authority, if any, proposed and the particulars of the executives in whose favour authorization is sought.

Matters received after the designated date, may be, at the discretion of the senior management deferred to the next Board meeting. Even if there is no proposal to be placed before the Board, a written confirmation to that effect is sent to the Secretarial division by the respective Division heads.

Preparation of draft Agenda:

Based on the proposals received from the various departments, the Secretarial division prepares the draft Agenda (12 days before the meeting), which includes the following:

- Draft notice and Agenda of the Meeting;
- Draft notes on Agenda;
- Supporting documents to the Agenda;
- Draft resolutions to be passed by the Board for each item of the Agenda;
- Draft intimation to the outside agencies (eg: stock exchanges).

Clearance of Agenda by the Chairman:

After preparation of the draft Agenda, the Company Secretary, shall atleast 10 days before the Board meeting, discuss with the Chairman, the specific Agenda items for the meeting. The Chairman has the overall authority to approve the Agenda for the meeting. The Chairman shall determine the nature

and the format in which information shall be provided regularly to the Directors before each scheduled Board meeting. Directors are encouraged to make suggestions for Agenda items, or additional pre-meeting materials.

1.6.3 Board Materials distributed in advance

Post internal clearance, the Notice and Agenda papers are circulated to the Directors, atleast 7 days in advance. All material information will be incorporated in the Agenda to facilitate meaningful discussion at the meeting. Where details with respect to an item on the Agenda cannot be sent in advance due to confidentiality reasons, the same shall be placed on the table at the Board meeting with the prior approval of the CMD. Reference to tabling of details at the meeting will be made in the corresponding Agenda item.

Any Board member including Independent Directors may request for inclusion of any matter in the Agenda for a particular Board meeting if he so desires. In the event such a suggestion is made, the particular item will be necessarily included in the Agenda. The Board members can send such requests 2 weeks in advance of the Board meeting. In the event of an urgency, the items could be considered, even if sent later, with the approval of the CMD.

1.6.4 Board Presentations

Materials on presentations proposed to be made at the meetings are sent to the Board members in advance to enable focused discussion on key issues. In case where the subject matter is price sensitive or otherwise confidential, the presentation is directly made at the meeting.

1.6.5 Guidelines for tabling of items at Board meetings

Tabling of items at Board meetings is generally discouraged. Only in rare circumstances or for items of extreme confidential nature and where immediate decision is required, the senior management may table additional items for discussion with the permission of the CMD.

1.6.6 Quorum, voting rights, manner of attendance and other procedures

It is expected that each Director will make every effort to attend each Board meeting. Attendance in person is preferred but attendance by tele / video conference is permitted, if necessary.

Each Director is expected to have carefully reviewed all materials distributed in advance of the meeting, be prepared to participate meaningfully in the meeting, and to discuss all scheduled items of business at the meeting.

The proceedings and deliberations of the Board are confidential. Each Director will maintain the confidentiality of information received in connection with his or her service as a Director.

1.6.7 Recording of Dissent at Board Meetings

The Directors are expected to actively participate in the discussions of the Board and express their free and frank opinion. If any Director expresses his dissent, he should be able to present his views at the Board and after discussions, the view of all the Directors including dissent, if any, should be recorded in the minutes.

1.6.8 Preparation of minutes, circulation and ratification

Within 7 days after the Board meeting, the Secretarial department shall prepare draft minutes of the proceedings of the Board meeting and submit to the Chairman of the meeting for his approval.

The draft minutes shall then be circulated to all the Directors within 15 days of the meeting for their comments. Comments / suggestions received from the Directors will be appropriately incorporated. The final minutes shall thereafter be recorded in the minutes book within 30 days of the meeting.

The minutes shall be placed before the Board in the next meeting for noting and shall be duly signed.

1.6.9 Issuing certified copies of resolutions / minutes

The Secretarial department shall issue certified copies of the resolutions passed or extracts of the minutes of Board meetings, as and when required by any other division to enable them to take appropriate steps in the matter.

1.7 Board Committees

The Board has established the following Committees to assist the Board in discharging its

responsibilities:

1. Audit Committee
2. Shareholders'/Investors' Grievance Committee
3. Remuneration Committee
4. Corporate Governance and Stakeholders' Interface Committee

The Board has adopted charters setting forth the roles and responsibilities of each of the above Committees as well as qualifications for Committee membership, procedures for Committee member appointment and removal, Committee structure and operations and reporting to the Board. The Board may constitute new Committees or dissolve any existing Committee, as it deems necessary for the discharge of its responsibilities.

1.7.1 Audit Committee Charter

1.7.1.1 Constitution

The Audit Committee shall function in accordance with the terms of reference covered under this Charter, such additional provisions as may be stipulated under Listing Agreement with Stock Exchanges, the Companies Act, 1956 (the Act) and other statutes or any modification or re-enactment thereof and as may be specified by the Board from time to time.

1.7.1.2 Role of the Audit Committee

The Audit Committee assists the Board with its responsibility for overseeing the quality and integrity of the accounting, auditing, and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee's purpose is to oversee the accounting and financial reporting processes of the Company, the audits of the Company's financial statements, the qualifications, independence and performance of the statutory auditors, the performance of internal auditors., if any.

1.7.1.3 Composition

Members:

The Committee shall consist of such number of members as the Board may determine from time to time, but in any event not less than 3. Each Committee member shall be an Independent Director as defined under the Listing Agreement. All members of the Committee shall be 'financially literate' and the Committee will have at least one member who shall have financial and accounting expertise. The Company Secretary shall act as the Secretary to the Committee.

Chairman:

The Chairman of the Audit Committee will be appointed by the Board at the time of constitution / reconstitution of the Audit Committee. The members of the Committee may also elect the Chairman amongst themselves. Induction and Training: The Committee members shall keep themselves updated of the new developments in accounting practices and procedures. The members shall ensure that they are appropriately informed of the implication of such new developments by the management and / or auditors of the Company.

Reconstitution:

The Board may at its discretion or as may be recommended by the CGSI Committee, reconstitute the Audit Committee at any time.

1.7.1.4 Procedures

Meetings:

The Chairman of the Committee, in consultation with the Committee members, finalizes the schedule and frequency of the Committee meetings. The Committee shall meet at least 5 times every financial year. The schedule shall specify the broad Agenda to be discussed and considered at each meeting to ensure that the Committee's responsibilities are fully met. Usually, the Audit Committee meeting is held before a Board meeting. Additional meetings may be held, as the Committee deems fit. The Committee may request Head of Finance, representatives of the Internal Auditors, Statutory Auditors and Cost Auditors, or any other personnel to attend the Audit Committee meetings. At least twice a year the Committee shall meet the Statutory Auditor and internal auditors without the executive management being present.

Agenda:

The Chairman of the Committee shall approve the Agenda for every meeting, in consultation with the management. The Agenda and information concerning the business to be conducted at each meeting, shall be, as far as practical, communicated to the members at least 4 days in advance of each meeting to facilitate meaningful overview.

Meeting proceedings:

The Committee shall ensure that minutes of all its proceedings are kept and reports on its actions and activities are placed at the next meeting of the Board. The Secretary of the Committee records the proceedings of the Committee meeting which is then reviewed and approved by the Chairman of the meeting for circulation to the other members of the Committee for their comments. The final minutes are noted at the ensuing meeting of the Committee and signed by the Chairman of the meeting. The Committee is governed by the same rules regarding meetings, notice and voting requirements as are applicable to the Board. The Committee is authorized and empowered to look into other matter as it deems fit, or as may be specifically referred to them by the Board or any other Committee of the Board, beyond the provisions of this Charter.

Quorum:

The quorum for the purpose of the Committee meetings shall be either two members or one third of the members of the Committee, personally present, whichever is higher.

1.7.1.5 Authority

The Committee is authorized:

- To investigate any activity covered under this Charter;
- To seek any specific information, as may be required, from any employee(s) of the Company and the concerned employee(s) shall co-operate with the request of the Committee;

- To obtain legal or other independent professional advice and secure attendance of outsider(s) with relevant experience if the same is considered necessary;
- To form and delegate authority to its sub-committees or to one or more members of the Committee.

The Company shall bear all such expenses to support the requirements of the Committee.

1.7.1.6 Responsibilities

The Audit Committee's specific responsibilities in carrying out its oversight role are provided by the revised Clause 49 of the Listing Agreement with the Stock Exchanges. Briefly, the Committee's duties are classified under 4 categories:

Financial Statements and Related Disclosures

- Review and discuss with management and external auditor(s), the financial results including Management Discussion and Analysis of Financial Condition and Results of Operations, prior to placing the same for approval by the Board.
- Review the financial information provided to media and analysts.
- Review critical accounting policies, financial reporting and accounting standards and principles (including significant changes to those principles or their application) and key accounting decisions and judgments affecting the Company's financial statements and disclosures. This shall include rationale for such choices and possible alternative treatments.
- Review the risk management policies periodically and make recommendations to the Board
- Review with the external auditors any audit problems or difficulties and management's response to the same.

Statutory Auditors' Qualifications, Independence, Remuneration and Performance

- Select, evaluate, and if necessary, recommend change in the statutory auditors. The Committee's recommendation is annually submitted to the Board for placing before the shareholders for approval.
- Approve the audit engagement fees and any non-audit services to be provided by the statutory auditors.
- Oversight / overview of the statutory auditor including resolution of disagreements between management and the statutory auditor.
- Review with the management and the statutory auditor, the scope, planning and staffing of the proposed audit on an annual basis.
- Obtain and review with the lead audit partner, annually or more frequently as the Committee considers appropriate, a written report by the Statutory Auditors describing, the Auditors' internal quality control of processes and procedures, any issues raised in any inquiry, review or investigation by governmental, professional or other regulatory authorities with respect to independent audits carried out by the Statutory Auditor and any steps taken to deal with these issues; and all relationships between the Statutory Auditor and the Company. The Committee shall annually confirm the independence of the Statutory Auditors on the basis of the above report and review with the lead audit partner.
- Pre-approve the hiring of any employee or former employee of the Statutory Auditor for senior positions within the Company.

Compliance with Legal and Regulatory Requirements

- The Committee shall receive reports from the management on any legal matters as may be statutorily required and any material reports or inquiries from regulatory or governmental agencies on the financial statements of the Company. The Committee shall review such matters with the management, and any internal or external counsel, as the Committee considers appropriate.

Other Duties

- The Committee may perform such other functions, as may be necessary or appropriate for the performance of its oversight function. It is the responsibility of the Company's management to prepare the financial statements in accordance with applicable laws and regulations, and of the Statutory Auditors to audit those financial statements. Therefore, each member of the Committee shall be entitled to rely on the integrity of such persons and organizations from whom information is received, for the accuracy of the financial and other information provided to the Committee.

Confidentiality

- The members of the Audit Committee and all other individuals attending the meetings of the Audit Committee should not disclose the information contained in the reports they receive, the contents of discussion or confidential information regarding the Company which have become known to them in such meetings to any other person other than in course of conducting their normal duties.

Current Requirements on authority and responsibilities of the Audit Committee

In terms of the revised Clause 49 of the Listing Agreement, the terms of reference / powers of the Audit Committee have been specified as follows:

A. The Audit Committee shall have the following powers: -

- 1. To investigate any activity within its terms of reference.*
- 2. To seek information from any employee.*
- 3. To obtain outside legal or other professional advice.*
- 4. To secure attendance of outsiders with relevant expertise, if it considers necessary.*

B. The role of the Audit Committee shall include the following:

1. 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.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of Statutory auditor and fixation of audit fees.
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.

4. Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference to: -
 - Matters required to be included in 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.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statement arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of related party transactions.
 - Qualifications in draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management the performance of statutory and internal auditors, adequacy of internal control systems.
7. 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.
8. Discussion with internal auditors any significant findings and follow up there on.
9. 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.
10. 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.
11. To 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.
12. To review the functioning of the Whistleblower Mechanism.
13. Carrying out such other function as may be specifically referred to the Committee by the Board of Directors and/or other Committees of Directors of the Company.
14. To review the following information:
 - The 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.
 - Management letters / letters of internal control weaknesses issued by statutory auditors;

- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief Internal Auditor.

15. Reviewing the financial statements and in particular the investments made by the Unlisted Subsidiaries of the Company.

1.7.2 Shareholders' / Investors' Grievance Committee Charter

1.7.2.1 Constitution

The Shareholders' / Investors' Grievance Committee shall function in accordance with the terms of reference covered under this Charter, such additional provisions as may be stipulated under Listing Agreement with Stock Exchanges, the Companies Act, 1956 (the Act) and other statutes or any modification or re-enactment thereof and as may be specified by the Board from time to time.

1.7.2.2 Role of the Shareholders' / Investors' Grievance Committee

The primary purpose of the Shareholders' / Investors' Grievance Committee is to oversee all matters pertaining to investors of the Company.

1.7.2.3 Composition

Members:

The Committee shall consist of such number of members as the Board may determine from time to time, but in any event not less than 3. The Committee members shall be appointed by the Board.

Chairman:

The Chairman of the Shareholders' / Investors' Grievance Committee shall be appointed by the Board at the time of constitution or reconstitution of the Committee. The members of the Committee may also elect the Chairman amongst themselves.

Induction and Training:

The Committee members shall keep themselves updated of the new developments in securities related laws. The members shall ensure that they are appropriately informed of the implications of such new developments by the Company Secretary and / or Registrars and Transfer agents of the Company.

Reconstitution:

The Board may at its discretion reconstitute the Shareholders' / Investors' Grievance Committee at any time.

1.7.2.4 Procedures

Meetings:

The Committee shall meet at least 5 times a year based upon a schedule established at the first meeting of the year. Additional meetings may be held, as the Committee deems fit. Apart from the

Committee members, Company executives and the Registrars and Transfer Agents and the Securities Auditors may be invited to attend the Committee meetings, as desired by the members.

Agenda:

The Chairman of the Committee finalizes the Agenda, in consultation with the Company Secretary. The Agenda and information concerning the business to be conducted at each meeting, shall be, as far as practical, communicated to the members at least 2 days in advance of each meeting to facilitate meaningful overview.

Meeting proceedings:

The Committee shall ensure that minutes of all its proceedings are kept and shall report on its actions and activities at the next meeting of the Board. The Secretary of the Committee records the proceedings of the Committee meetings, which is then reviewed and approved by the Chairman of the meeting for circulation to the other members for their comments. The final minutes are noted at the ensuing meeting of the Committee and signed by the Chairman of the meeting. The Committee is governed by the same rules regarding meetings, notice and voting requirements as are applicable to the Board. The Committee is authorized and empowered to look into any other matter as it deems fit to ensure better servicing and protection of investor interests, beyond the provisions of this Charter.

Quorum:

The quorum for the purpose of the Committee meetings shall be any three members, personally present.

1.7.2.5 Authority

The Committee is authorized:

- To investigate any activity covered under this Charter;
- To seek any specific information, as may be required, from any employee(s) of the Company and/or Registrars & Transfer Agents, who shall co-operate with any request of the Committee;
- To obtain legal or other independent professional advice;
- To form and delegate authority to its sub-committees or to one or more members of the Committee.

The Company shall bear all such expenses to support the requirements of the Committee.

1.7.2.6 Responsibilities

The principal responsibilities and functions of the Shareholders' / Investors' Grievance Committee are as follows:

- Oversight and review, all matters connected with the transfer of securities of the Company.
- Approve issue of duplicate certificates of the Company.
- Monitor redressal of investors / shareholder grievances related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend etc., if any.
- Oversight of the performance of Registrars and Transfer Agents of the Company.

- Recommend methods to upgrade the standard of services to the investors.
- Monitor implementation of the Company's Code of Conduct for Prohibition of Insider Trading.
- Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

Confidentiality

The members of the Shareholders' / Investors' Grievance Committee and all other individuals attending the meetings of the Committee should not disclose the information contained in the reports they receive, the contents of discussion or confidential information regarding the Company which have become known to them in such meetings to any other person other than in course of conducting their normal duties.

1.7.3 Remuneration Committee Charter

1.7.3.1 Constitution

The Remuneration Committee shall function in accordance with the terms of reference covered under this Charter, such additional provisions as may be stipulated under Listing Agreement with Stock Exchanges, the Companies Act, 1956 (the Act) and other statutes or any modification or re-enactment thereof and as may be specified by the Board from time to time.

1.7.3.2 Role of the Remuneration Committee

The role of the Remuneration Committee is to recommend /review remuneration of the Managing Directors and Whole-time Directors based on their performance and defined assessment criteria.

1.7.3.3 Composition

Members:

The Committee shall consist of such number of members as the Board may determine from time to time, but in any event not less than 3 members. All the members of the Remuneration Committee shall be Independent Directors. The Committee members shall be appointed by the Board.

Chairman:

The Chairman of the Remuneration Committee shall be appointed by the Board at the time of constitution or reconstitution of the Committee.

Induction and Training:

The Committee members shall keep themselves updated of the new developments in managerial compensation. The members shall ensure that they are appropriately informed of the implications of such new developments by the Company.

Reconstitution:

The Board may at its discretion reconstitute the Remuneration Committee at any time.

1.7.3.4 Operations

Meetings:

The Chairman of the Committee, in consultation with the Committee members, finalizes the

schedule and frequency of the Committee meetings. The Committee shall meet at least once every year based upon a schedule established at the first meeting of the year. The schedule shall specify the broad Agenda to be discussed and considered at each meeting to ensure that the Committee's responsibilities are fully met. Additional meetings may be held, as the Committee deems advisable. Apart from the Committee members, Company executives may be invited to attend the Remuneration Committee meeting, if desired by the members.

Agenda:

The Chairman of the Committee finalizes the Agenda, in consultation with the management. The Agenda and information concerning the business to be conducted at each meeting, shall be, as far as practical, communicated to the members at least 2 days in advance of each meeting to facilitate meaningful discussion.

Meeting proceedings:

The Committee shall ensure that minutes of all its proceedings are kept and shall report on its actions and activities at the next meeting of the Board. The Secretary of the Committee records the proceedings of the Committee meeting which is then reviewed and approved by the Chairman of the meeting for circulation to the other members of the Committee for their comments. The final minutes are noted at the ensuing meeting of the Committee and signed by the Chairman of the meeting. The Committee is governed by the same rules regarding meetings, notice and voting requirements as are applicable to the Board. The Committee is authorized and empowered to look into other matter as it deems fit, beyond the provisions of this Charter.

Quorum:

The quorum for the purpose of the Committee meetings shall be either two members or one third of the members of the Committee, personally present, whichever is higher.

1.7.3.5 Authority

The Committee is authorized:

- To investigate any activity covered under this Charter;
- To seek any information, as may be required, from any employee(s) of the Company and the concerned employee(s) shall co-operate with the request of the Committee;
- To obtain legal or other independent professional advice and secure attendance of outsider(s) with relevant experience if the same is considered necessary;
- To form and delegate authority to its sub-committees or to one or more members of the Committee.

The Company shall bear all such expenses to support the requirements of the Committee.

1.7.3.6 Responsibilities

The principal responsibilities and functions of the Remuneration Committee are as follows:

- Recommending / reviewing remuneration of the Managing Directors and Whole-time Directors, based on their performance and defined assessment criteria.
- Approving appointment, if any, of a relative of a Director for holding office of profit in the Company as per the provisions of the Act and Rules issued thereunder.
- Carrying 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.

The above list is not exhaustive and the Committee may in addition perform such other functions as may be necessary or appropriate for the performance of its duties.

1.7.3.7 Confidentiality

The members of the Remuneration Committee and all other individuals attending the meetings of the Committee should not disclose the information contained in the reports they receive, the contents of discussion or confidential information regarding the Company, which has become known to them in such meetings to any other person other than in course of conducting their normal duties.

1.7.4 Corporate Governance & Stakeholders' Interface Committee Charter

1.7.4.1 Constitution

The Corporate Governance and Stakeholders' Interface Committee shall function in accordance with the terms of reference covered under this Charter, such additional provisions as may be stipulated under Listing Agreement with Stock Exchanges, the Companies Act, 2013 (the Act) and other statutes or any modification or re-enactment thereof and as may be specified by the Board from time to time.

1.7.4.2 Role of the Corporate Governance and Stakeholders' Interface Committee

The CGSI Committee takes a leadership role in shaping corporate governance policies and practices, including recommending to the Board, the Corporate Governance Guidelines applicable to the Company and monitoring compliance with the said policies and guidelines.

1.7.4.3 Composition

Members:

The Committee consists of such number of members, as the Board may determine from time to time, but in any event not less than 3. The Committee members shall be appointed by the Board.

Chairman:

The Chairman of the CGSI Committee will be appointed by the Board at the time of constitution or reconstitution of the Committee.

Induction and Training:

The Committee members shall keep themselves updated of the new developments and practices in corporate governance. The members shall ensure that they are appropriately informed of the implications of such new developments to the Company.

Reconstitution:

The Board may at its discretion reconstitute the CGSI Committee at any time.

1.7.4.4 Operations

Meetings:

The Chairman of the Committee, in consultation with the other Committee members, finalizes the

schedule and frequency of the Committee meetings. The Committee shall meet at least 4 times every year based upon a schedule established at the first meeting of the year. The schedule shall specify the broad Agenda to be discussed and considered at each meeting to ensure that the Committee's responsibilities are fully met. Additional meetings may be held, as the Committee deems advisable. Apart from the Committee members, Company executives may be invited to attend the CGSI Committee meeting, if desired by the members.

Agenda:

The Chairman of the Committee finalizes the Agenda, in consultation with the management. The Agenda and information concerning the business to be conducted at each meeting, shall be, as far as practical, communicated to the members at least 2 days in advance of each meeting to facilitate meaningful discussion.

Meeting proceedings:

The Committee shall ensure that minutes of all its proceedings are kept and shall report on its actions and activities at the next meeting of the Board. The Secretary of the Committee records the proceedings of the Committee meeting which is then reviewed and approved by the Chairman of the meeting for circulation to the other members of the Committee for their comments. The final minutes are noted at the ensuing meeting of the Committee and signed by the Chairman of the meeting. The Committee is governed by the same rules regarding meetings, notice and voting requirements as are applicable to the Board. The Committee is authorized and empowered to look into other matter as it deems fit, beyond the provisions of this Charter.

Quorum:

The quorum for the purpose of the Committee meetings shall be any two members, personally present.

1.7.4.5 Authority

The Committee is authorized:

- To investigate any activity covered under this Charter;
- To seek any required information from any employee(s) and the concerned employee(s) shall co-operate fully with any request made by the Committee;
- To obtain legal or other independent professional advice and secure attendance of outsider(s) with relevant experience if the same is considered necessary.
- To form and delegate authority to its sub-committees or to one or more members of the Committees

The Company shall bear all such expenses to support the requirements of the Committee.

1.7.4.6 Responsibilities

The principal responsibilities and functions of the CGSI Committee are as follows:

- Observance of practices of Corporate Governance at all levels and to suggest remedial measures wherever necessary.
- Provision of correct inputs to the media so as to preserve and protect the Company's image and standing.
- Dissemination of factually correct information to investors, institutions and the public at large.
- Interaction with the existing and prospective FII's and rating agencies etc.

- Establishing oversight on important corporate communication on behalf of the Company with the assistance of consultants /advisors, if necessary.
- Ensuring institution of standardized channels of internal communications across the Company to facilitate a high level of disciplines participation.
- Ensuring compliance with the corporate governance norms prescribed under Listing Agreement with Stock Exchanges, the Companies Act and other statutes or any modification or re-enactment thereof.
- Carrying 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.
- Periodically identify and recommend to the Board, individuals for nomination based on qualifications, capability, availability to serve, conflicts of interest, and other relevant factors.
- Periodically review the compensation paid to Non-Executive Directors and sitting fees, if any, and make recommendations to the Board for any adjustments.
- Advise the Board periodically with respect to significant developments in the law and practice of corporate governance and make recommendations to the Board for appropriate revisions to the Company's Corporate Governance Guidelines.
- Monitor Company's compliance with the Corporate Governance Guidelines and applicable laws and regulations and make recommendations to the Board on all such matters and on any corrective action to be taken, as the Committee may deem appropriate.
- Review and assess the adequacy of the Company's Code of Conduct for Directors and Senior Management, the Code of Ethics and other internal policies and guidelines and monitor that the principles described therein are being incorporated into the Company's culture and business practices.
- Obtain or perform an annual evaluation of the Committee's performance and make applicable recommendations.
- Establish criteria and processes for, and assist the Board and each of its Committees in their annual performance evaluations.

The above list is not exhaustive and the Committee may in addition perform such other functions as may be necessary or appropriate for the performance of its duties.

Confidentiality

The members of the CGSI Committee and all other individuals attending the meetings of the Committee should not disclose the information contained in the reports they receive, the contents of discussion or confidential information regarding the Company which have become known to them in such meetings to any other person other than in the course of conducting their normal duties.

1.8 Board Performance Evaluation

The performance of the Board as a whole, of its committees, and of its members shall be evaluated at least once a year keeping in view the objectives of the Company.

It is the responsibility of the Chairman who shall be supported by the Company Secretary to organize the evaluation process and act on its outcome.

The results of board evaluation shall remain confidential between the Chairman, Directors concerned & the Company Secretary.

The evaluation process will be used constructively as a mechanism to improve board effectiveness, maximize strength and tackle weakness.