

### **Terms of Reference of Audit Committee:**

The role of the Audit Committee shall include the following:

- a. 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.
- b. Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of the Statutory Auditors and the fixation of audit fee and also approval for payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- c. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to;
  - Matters required to be included in the Director's Responsibility statement to be included in the Board's Report in terms of Section 134(3)(c) of the Companies Act, 2013.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgement by management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - Modified opinion(s) in the draft audit report.
- d. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- e. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or right issue, and making appropriate recommendations to the Board to take up steps in this matter.
- f. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- g. Approval or any subsequent modification of transactions of the company with related parties;
- h. Scrutiny of inter-corporate loans and investments;
- i. Valuation of undertakings or assets of the company, wherever it is necessary;
- j. Evaluation of internal financial controls and risk management systems;



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- k. Reviewing with the management, performance of the statutory and internal auditors' and adequacy of internal control systems.
- l. 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.
- m. Discussion with internal auditors any significant findings and follow up there on.
- n. 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.
- o. 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.
- p. 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.
- q. To review the functioning of the Whistle Blower mechanism;
- r. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience & background, etc. of the candidate.
- s. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- t. Recommending to the Board, the appointment / reappointment of the Cost Auditors and Secretarial Auditor.
- u. Reviewing the utilization of loans and / or advances from / investment by the holding company in the subsidiary exceeding 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.
- v. Review the adequacy of the compliance monitoring system
- w. Assists the Board in relation to the company's compliance and its value system
- x. Engage in the process evaluating, developing, recommending and implementing strategy, policy, procedures, processes, code of conduct, standards in respect of compliance and its value system.
- y. Any other activities as per the requirement of Regulation 18 of the Listing Regulations and applicable provisions of the Companies Act, 2013.



**Terms of Reference of Nomination & Remuneration Committee:**

1. To identify persons who are qualified:
  - (a) to become directors and
  - (b) who may be appointed in senior management in accordance with the criteria laid down by the company. The expression “senior management” means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.
2. To recommend to the Board the appointment and removal of person identified under point (1) above.
3. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
4. To devise a policy on diversity of Board of Directors.
5. To formulate the criteria for evaluation of performance of Independent Directors and Board of Directors.
6. To decide whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
7. Recommend to the Board, all remuneration, in whatever form, payable to senior management.
8. Any other activities as per the requirement of Regulation 19 of the Listing Regulations and the Companies Act, 2013.



#### **Terms of Reference of Stakeholders Relationship Committee:**

1. Resolving the grievances of the security holders of the Company including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent (RTA).
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company.

#### **Terms of Reference of CSR Committee Committee:**

- ❖ To approve CSR strategies, budgets, plans and corporate policies;
- ❖ To approve CSR's risk management strategy and frameworks and monitoring their effectiveness;
- ❖ Considering the social, ethical and environmental impact of CSR's activities and monitoring compliance with CSR's sustainability policies and practices;
- ❖ To review the CSR activities undertaken during the financial year;
- ❖ To review and modify the approved budget based on the progress report of GHCL Foundation Trust as recommended by CSR Committee from time to time;
- ❖ Inclusion and modification of CSR activities based on the survey conducted by the independent agency and impact assessment analysis with respect to CSR activities undertaken by the Company;
- ❖ To empower CSR committee and Chief Executive Officer for taken appropriate steps with an objective to achieve CSR goal determined by the Board;
- ❖ To ensure that company shall respect human rights concern throughout its operations and if required develop a framework for managing, mitigating and preventing adverse human rights impacts;
- ❖ Reconstitution of CSR Committee as and when required depending upon the vacancy in CSR Committee;
- ❖ To review of the progress report of CSR Activities;
- ❖ Giving of directions for effective implementation of CSR projects.



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### **Terms of Reference of Risk Management Committee:**

Details of Risk management framework is as given below;

- (1) To formulate a detailed risk management policy which shall include:
  - a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - b. Measures for risk mitigation including systems and processes for internal control of identified risks.
  - c. Business continuity plan.
- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (6) To review of appointment, removal and terms of remuneration of the Chief Risk Officer (if any) in line with the SEBI LODR regulations.
- (7) Advise sustainable strategy and policy on climate change, health, safety and environment, social and community matters;
- (8) Ensure appropriateness of the Sustainability management systems and frameworks.
- (9) Ensure effectiveness of the company's external reporting of sustainability performance and its participation in external benchmarking indices.
- (10) Ensure that a safe and healthy working environment is a primary objective and is fundamental to the Company's business operations;
- (11) Keep upto date with Environmental, Social and Governance (ESG) best practices and thought leadership.
- (12) Responsible for the oversight of diversity & inclusion (D&I) matters, people and community engagement and monitoring of corporate culture in support of the company's purpose and values, reporting to the Board on such matters as appropriate.



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- (13) Balance non-financial targets and commitments with the sustainability strategy with the delivery of financial value for shareholders and other stakeholders.
- (14) Monitor and review changes in the company's reputation and its stakeholders' expectations on sustainability and ensure the Board is kept appropriately informed;
- (15) Bring best practice thinking and ongoing awareness of global developments in sustainability.
- (16) Any other activities as per the requirement of the Listing Regulations and /or the Companies Act, 2013 and other applicable provisions or suggested norms, if any.

