

## **PROCEDURE OF MEETING**

### **1. MEETINGS AND ATTENDANCE**

The Company's Governance Policy requires the Board to meet at least four times in a year. The intervening period between two Board meetings was well within the maximum gap of 120 days prescribed under Clause 49 of the Listing Agreement with Stock Exchanges. The annual calendar of meetings is broadly determined at the beginning of each year.

### **2. BOARD AGENDA**

Meetings are governed by a structured agenda. The Board members, in consultation with the Chairman, may bring up any matter for the consideration of the Board. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. Agenda papers are generally circulated at least seven days prior to the Board meeting.

### **3. INFORMATION PLACED BEFORE THE BOARD**

In addition to matters required to be placed before the Board under the Governance Policy of the Company, the following are also tabled for the Board's periodic review / information / approval :

- Internal Audit findings and External Audit Management Reports (through the Audit Committee).
- Status of safety and legal compliance.
- Risk management processes.
- Succession to senior management (through the Nomination & Compensation Committee).
- Show Cause, demand, prosecution and adjudication notices, if any, from revenue authorities which are considered materially important, including any exposure that exceeds 1% of the Company's net worth, and their outcome.
- Default, if any, in payment of any dues.
- Write-offs / disposals (fixed assets, inventories, receivables, advances etc.) on a half-yearly basis.
- All other matters required to be placed before the Board for its review / information / approval under the statutes, including Clause 49 of the Listing Agreement with Stock Exchanges.

### **4. POST-MEETING FOLLOW-UP SYSTEM**

The Governance processes in the Company include an effective post-meeting follow-up, review and reporting process for action taken / pending on decisions of the Board, the Board Committees. Meetings of each Board Committee are convened by the respective Committee Chairman. Matters requiring the Board's attention / approval, arising from the Board Committee meetings, are placed before the Board by the respective Committee Chairman. The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided.

**The Code of Conduct of the Board, Committees & Independent Directors are given under the head "Board Code of Conduct" in this website.**

### **(A) AUDIT COMMITTEE**

The Audit Committee of the Board provides reassurance to the Board on the existence of an effective internal control environment that ensures:

- efficiency and effectiveness of operations
- safeguarding of assets and adequacy of provisions for all liabilities.
- reliability of financial and other management information and adequacy of disclosures.
- compliance with all relevant statutes.

The role of the Committee includes the following:

- (a) To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- (b) To recommend the appointment, remuneration, terms of appointment and removal of Statutory Auditors, and to review the manner of rotation of Statutory Auditors;
- (c) To recommend the appointment, remuneration and removal of Cost Auditors, where necessary;
- (d) To approve transactions of the Company with related parties, including modifications thereto;
- (e) To review and monitor the Statutory Auditor's independence and performance, and effectiveness of the audit process;
- (f) To evaluate the Company's internal financial controls and risk management systems;
- (g) To review with the management the following:
  - 1. Annual financial statements and Auditor's Report thereon before submission to the Board for approval;
  - 2. Quarterly financial statements before submission to the Board for approval;
- (h) To review the following:
  - 1. Management discussion and analysis of financial condition and results of operations;
  - 2. Adequacy of internal control systems and the Company's statement on the same prior to endorsement by the Board, such review to be done in consultation with the management, Statutory and Internal Auditors;
  - 3. Reports of Internal Audit and discussion with Internal Auditors on any significant findings and follow-up thereon;
  - 4. System / manner of maintenance, storage, retrieval, display, print out and security of books of account of the Company maintained in the electronic form;
  - 5. Functioning of Whistle Blower mechanism in the Company.
  - 6. To monitor the risk management process

#### **(B) NOMINATION & COMPENSATION COMMITTEE**

The Nomination and Remuneration Committee of the Board, under the nomenclature 'Nomination & Compensation Committee', inter alia, identifies persons qualified to become Directors and formulates criteria for evaluation of performance of the Independent Directors & the Board.

The Committee's role also includes recommending to the Board the appointment, remuneration and removal of Directors & Corporate Management Committee Members. This Committee also has the responsibility for administering the Employee Stock Option Schemes of the Company. The names of the members of the Nomination & Compensation Committee, including its Chairman, are provided under the section 'Board of Directors and Committees' in the Report and Accounts. **Nomination and Remuneration Policy of the Committee is given under policies in this website.**