

## Board of Directors

The following is the Composition of the Board as on July 27, 2018

Category	No. of Directors	Percentage to total no. Directors
Executive Directors	01	14.29
Non-Executive Directors	-	-
Independent Directors	06	85.71
<b>Total</b>	<b>07</b>	<b>100.00</b>

## Audit Committee

The audit committee was constituted by the Board at its meeting held on August 31, 2006. The objective of the Audit Committee is to oversee and monitor the financial reporting processes in order to ensure accurate, timely and proper disclosure and transparency, integrity and quality of financial information. The Audit Committee currently consists of Sanjay Baweja (Chairman), Rajiv Khaitan, Chris Arsenault and Gianluca D'Agostino.

### The terms of reference of the Audit Committee include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the 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:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the 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 statement of uses / application of funds raised through an issue (public issue, rights 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 rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor auditor's independence and performance, and effectiveness of audit process

8. Approval or any subsequent modification of transactions of the Company with related parties
9. Scrutiny of inter-corporate loans and investments
10. Valuation of undertakings or assets of the company, wherever it is necessary
11. Evaluation of internal financial controls and risk management systems
12. Reviewing with management, performance of statutory and internal auditors, adequacy of internal control systems
13. 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.
14. Discussion with internal auditors of any significant findings and follow up there on.
15. 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.
16. 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.
17. 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.
18. To review the functioning of the Whistle Blower mechanism.
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background etc., of the candidate.
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee
21. Reviewing the utilization of loans and/ or advances from/investment by the Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.
22. To review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

## **Nomination and Compensation Committee**

The compensation committee was constituted by the Board at its meeting held on August 31, 2006. Further the 'Compensation committee' has been renamed and reconstituted as 'Nomination and Compensation Committee' w.e.f May 22, 2014. The main purpose of the Nomination and Compensation Committee is to evaluate and approve the compensation plans, policies and programmes of the executive directors and senior management and to administer various stock option plans of our Company. The Nomination and Compensation Committee currently consists of Nancy Cruickshank (Chairperson), Chris Arsenault, Sanjay Kapoor and Gianluca D'Agostino.

**The terms of reference of the Nomination and Compensation Committee include the following:**

1. The Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
2. The Committee will make recommendations to the Board regarding the size and composition of the Board and develop and recommend to the Board the Criteria (such as independence, experience relevant to the needs of the company, leadership qualities, diversity and ability to represent the shareholders) for the selection of the individuals to be considered as candidates for election to the Board.
3. The Committee will establish, monitor and recommend the purpose, structure and operations of the various Committees of the Board, and qualifications and criteria on membership on each Committee of the Board, and, as circumstances dictate, make any recommendations regarding periodic rotation of directors among the Committees.
4. Committee shall 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 (referred as 'Nomination and Remuneration Policy').
5. Committee shall, while formulating the 'Nomination and Remuneration Policy, ensure that—
  - a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.
  - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
  - c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
  - b. Nomination and remuneration policy shall be placed on the website of the company and the salient features of the policy and changes therein, if any, along with the web address of the policy, shall be disclosed in the Board's report.
6. Annual review of the salary, bonus and other compensation plans of the CEO, CFO and Senior Management team of the Company.
7. Review and approve the salary, bonus and compensation plans for all the executive directors of the Company.
8. Framing suitable policies and systems to ensure that there is no violation, by an employee or Company of any applicable laws in India or overseas, including:
  - a. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; or
  - b. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities market) Regulations, 2003.
9. Administer the implementation and award of stock options under the stock option plans of the Company.
10. Perform such functions as are required to be performed by the Compensation Committee under Clause 5 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
11. Recommend to the Board of Directors of the Company on any other employment incentives as the committee deems it appropriate in the best interests of the Company.
12. Chairperson of the Committee or, in his/her absence, any other member of the committee authorized by him/her in this behalf shall attend the general meetings of the Company.

13. The Committee will also undertake such additional activities as the Committee may from time to time determine or as may otherwise be required by law, the company's articles of association, or directive of the Board.

14. The Committee will make regular reports to the Board and will recommend any proposed actions to the Board for approval as necessary. The Committee will review and reassess the adequacy of these terms of reference at least annually and recommend any proposed changes to the Board for approval.

15. The Committee will at least annually evaluate its own performance to determine whether it is functioning effectively.

16. Recommend to the board, all remuneration, in whatever form, payable to senior management.

## **Stakeholders Relationship Committee**

The Share Transfer and Investor Grievance Committee was constituted by the Board at their meeting held on April 20, 2007. Further the 'Share Transfers and Investor Grievance Committee' has been renamed as 'Stakeholders Relationship Committee' w.e.f. May 29, 2014. This committee has been formed to specifically look into the redressal of shareholder and investor complaints pertaining to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc. The Stakeholders Relationship Committee currently consists of Rajiv Khaitan (Chairman), Sanjay Baweja, Sanjay Kapoor and Gianluca D'Agostino.

### **The terms of reference of the Stakeholders Relationship Committee are as follows:**

1. The Committee shall resolve 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. The Committee shall review measures taken for effective exercise of voting rights by shareholders.

3. The Committee shall review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

4. The Committee shall review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

5. The Committee may do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

## **Corporate Social Responsibility Committee**

The Corporate Social Responsibility Committee was constituted by the Board at their meeting held on July 31, 2014. The committee has been formed to ensure that the company spends, in every financial year, at least 2 % of the average net profits of the Company made during three immediately preceding financial years in pursuance of its corporate social responsibility policy. The Corporate Social Responsibility Committee consists of Rajiv Khaitan (Chairman), Chris Arsenault and Nancy Cruickshank.

**The terms of reference of the Corporate Social Responsibility Committee are as follows:**

1. The Committee shall formulate and recommend to the Board, a 'Corporate Social Responsibility Policy' ('CSR Policy') which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013
2. The Committee shall recommend the amount of expenditure to be incurred on the activities referred in the CSR Policy
3. The Committee shall monitor the CSR Policy of the company from time to time
4. The Committee will be responsible for reviewing and overseeing CSR Policy and political and environmental trends and public policy issues that affect or could affect the company's business activities, performance, public image and responsibilities under Indian Law
5. The Committee will provide overview of and makes recommendations to the Board regarding the company's response to shareholder proposals that relate to corporate social responsibility issues
6. The Committee will assist the Board in determining how the company can anticipate and adjust to corporate social responsibility and public policy trends in order to make more effectively achieve its goals
7. The Committee will offer advice and counsel to management regarding the effectiveness of the company's corporate social responsibility programs and corporate citizenship
8. The Committee will also undertake such additional activities as the Committee may from time to time determine or as may otherwise be required by law, the company's articles of association, or directive of the Board
9. The Committee will make regular reports to the Board and will recommend any proposed actions to the Board for approval as necessary. The Committee will review and reassess the adequacy of these terms of reference at least annually and recommend any proposed changes to the Board for approval
10. The Committee will at least annually evaluate its own performance to determine whether it is functioning effectively.

## **Risk Management Committee**

The Risk Management Committee was constituted by the Board at their meeting held on October 30, 2014. The main objective of the Risk Management Committee is to assist the Board with regard to the identification, evaluation and mitigation of operational, strategic and external environment risks. The Committee has overall responsibility for monitoring and approving the risk policies and associated practices of the Company. The risk management committee is also responsible for reviewing and approving risk disclosure statements in any public documents or disclosures. The Risk Management Committee consists of Sanjay Kapoor (Chairman), Nancy Cruickshank, Sanjay Baweja and Francois-Charles Sirois.

**The terms of reference of the Risk Management Committee include the following:**

1. The Committee shall annually review and approve the Risk Management Policy and associated frameworks, processes and practices of the Company.
2. The Committee shall ensure that the Company is taking the appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities.
3. The Committee shall evaluate significant risk exposures of the Company and assess management's actions to mitigate the exposures in a timely manner (including one-off initiatives, and ongoing activities such as business continuity planning and disaster recovery planning & testing).
4. The Committee will coordinate its activities with the Audit Committee in instances where there is any overlap with audit activities (e.g. internal or external audit issue relating to risk management policy or practice).
5. The Committee shall make regular reports/ recommendations to the Board.
6. The Committee shall review and reassess the adequacy of its Charter annually and recommend any proposed changes to the Board for approval.
7. The Committee shall monitor and review the matters relating to cyber security.