

## **Audit Committee**

### **Composition:**

The Audit committee of Nalwa Sons Investments Limited comprises of following three members:

<b>Member Director</b>	<b>Status</b>
Mr. Rajinder Parkash Jindal	Chairman, Independent Director
Mr. Nrender Garg	Member, Independent Director
Mr. Rakesh Kumar Garg	Member, Executive Director

### **Secretary:**

Company Secretary shall act as the Secretary of the Committee.

### **Meetings:**

The Committee shall meet at least four times a year. The time gap between any two meetings shall be less than 120 days.

### **Key Functions:**

The role of the audit committee shall include the following:

- oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  1. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  2. changes, if any, in accounting policies and practices and reasons for the same;
  3. major accounting entries involving estimates based on the exercise of judgment by management;
  4. significant adjustments made in the financial statements arising out of audit findings;
  5. compliance with listing and other legal requirements relating to financial statements;
  6. disclosure of any related party transactions;
  7. modified opinion(s) in the draft audit report;

- reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 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;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- approval or any subsequent modification of transactions of the listed entity with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the listed entity, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 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;
- discussion with internal auditors of any significant findings and follow up there on;
- 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;
- 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;
- 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;
- to review the functioning of the whistle blower mechanism;
- approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- reviewing the utilization of loans and/ or advances from/investment by the holding 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 existing as on the date of coming into force of this provision.

**The audit committee shall mandatorily review the following information:**

- Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- management letters / letters of internal control weaknesses issued by the statutory auditors;
- internal audit reports relating to internal control weaknesses; and
- the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- statement of deviations:
  1. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  2. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

**Miscellaneous:**

The Committee may invite other Directors / Officers of the Company to attend the meetings of the Committee as ‘Invitees’ from time to time, as and when required. Minutes of the Audit Committee are placed before the Board in its subsequent meeting.

**Nomination and Remuneration Committee**

**Composition:**

The Nomination and Remuneration Committee of Nalwa Sons Investments Limited comprises of following three members:

<b>Member Director</b>	<b>Status</b>
Mr. Rajinder Parkash Jindal	Chairman, Independent Director
Mr. Nrender Garg	Member, Independent Director
Mr. Mahender Kumar Goel	Member, Non- Independent Director

**Key Functions:**

Role of committee shall, inter-alia, include the following:

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- formulation of criteria for evaluation of performance of independent directors and the board of directors;

- devising a policy on diversity of board of directors;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors 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.
- 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.
- recommend to the board, all remuneration, in whatever form, payable to senior management.

### **Stakeholders Relationship Committee**

#### **Composition:**

The Stakeholders Relationship Committee of Nalwa Sons Investments Limited comprises of following three members:

<b>Member Director</b>	<b>Status</b>
Mr. Rajinder Parkash Jindal	Chairman, Independent Director
Mr. Nrender Garg	Member, Independent Director
Mr. Rakesh Kumar Garg	Member, Executive Director

#### **Key Functions:**

The Committee shall consider and resolve the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

### **Corporate Social Responsibility Committee**

#### **Composition:**

The Corporate Social Responsibility Committee of Nalwa Sons Investments Limited comprises of following three members:

<b>Member Director</b>	<b>Status</b>
Mr. Rajinder Parkash Jindal	Chairman, Independent Director
Mr. Nrender Garg	Member, Independent Director
Mr. Rakesh Kumar Garg	Member, Executive Director

#### **The Corporate Social Responsibility Committee shall-**

1. formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall

indicate the activities to be undertaken by the company as specified in Schedule VII;

2. recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
3. monitor the Corporate Social Responsibility Policy of the company from time to time

### **Risk Management Committee**

#### **Composition:**

The Risk Management Committee of Nalwa Sons Investments Limited comprises of following three members:

<b>Member Director</b>	<b>Status</b>
Mr. Rakesh Kumar Garg	Chairman, Executive Director
Mr. Rajinder Parkash Jindal	Member, Independent Director
Mr. Nrender Garg	Member, Independent Director

#### **Key Functions:**

- Framing of Risk Management Plan and Policy.
- Overseeing implementation / Monitoring of Risk Management Plan and Policy.
- Reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes, on a periodic basis.
- Identify emerging risks.
- Reviewing risk mitigation strategies.
- Formulating a cyber security plan and overseeing its implementation.
- Carrying out any other function as delegated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable.

### **Share Transfer Committee**

The Board of Directors has delegated the power of approving transfer of securities and other related formalities to the share transfer committee comprising Mr. Rajinder Parkash Jindal, Director, Mr. Rakesh Kumar Garg, Executive Director & C.E.O. and Company Secretary and a representative of Registrar & Transfer Agent.

#### **Key Functions:**

Power of approving transfer/transmission of securities, subject to applicable provisions and other related formalities