

TERMS OF REFERENCE FOR COMMITTEES OF BOARD OF DIRECTORS

AUDIT COMMITTEE	<ol style="list-style-type: none"> 1. Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient, and credible. 2. Recommend appointment, remuneration and terms of appointment of auditors of the Company. 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 and auditor's report thereon before submission to the Board for approval, with particular reference to: <ol style="list-style-type: none"> a. 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. 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. modified opinion(s) in the draft audit report. 5. Reviewing with the management: <p>The quarterly financial statements before submission to the Board for approval.</p> <p>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 utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take steps in this matter.</p> 6. Review and monitor the auditor's independence and performance, and effectiveness of audit process. 7. Approval or/and any subsequent modification of transactions of the Company with related parties. 8. Scrutiny of inter-corporate loans and investments. 9. Valuation of undertakings or assets of the Company, wherever it is necessary. 10. Evaluation of internal financial controls and risk management systems 11. Reviewing with the management performance of statutory and internal auditors, adequacy of the internal control systems. 12. 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. 13. Discussion with internal auditors of any significant findings and follow up there on. 14. 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. 15. 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. 16. 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. 17. To review the functioning of the Whistle Blower mechanism.
------------------------	--

SANSERA ENGINEERING LIMITED

	<p>18. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience, and background, etc. of the candidate.</p> <p>19. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on April 01, 2019, and</p> <p>20. Carrying out any other function as mentioned under the Act, the Listing Regulations or decided by the Board from time to time.</p> <p>21. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.</p> <p>22. The audit committee to mandatorily review the following information:</p> <ul style="list-style-type: none"> (i) management discussion and analysis of financial condition and results of operations; (ii) management letters / letters of internal control weaknesses issued by the statutory auditors; (iii) internal audit reports relating to internal control weaknesses; (iv) the appointment, removal and terms of remuneration of the chief internal auditor (v) statement of deviations: <ul style="list-style-type: none"> (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1). (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
NOMINATION AND REMUNERATION COMMITTEE	<p>1. Formulation of criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the Directors, key managerial personnel, and other employees.</p> <p>2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:</p> <ul style="list-style-type: none"> a. use the services of an external agencies, if required; b. consider candidates from a wide range of backgrounds, having due regard to diversity; and c. consider the time commitments of the candidates. <p>2. Formulation of criteria for evaluation of Independent Directors and the Board including carrying out evaluation of every director's performance.</p> <p>3. Devising a policy on Board diversity.</p> <p>4. 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 their appointment and removal.</p> <p>5. Whether to extend or continue the term of appointment of the independent director, based on the report of performance evaluation of independent Directors.</p> <p>6. Recommend to the board, all remuneration, in whatever form, payable to senior management and</p> <p>7. Such other matters as may be prescribed under the Act, Listing Regulations and or by the Board of Directors of the Company from time to time.</p>
STAKEHOLDERS' RELATIONSHIP COMMITTEE (SRC)	<p>(i) Resolving the grievances of the security holders of the listed entity 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.,</p>

SANSERA ENGINEERING LIMITED

	<p>(ii) Review of measures taken for effective exercise of voting rights by shareholders.</p> <p>(iii) Review of adherence to the service standards adopted by the listed entity in respect of numerous services being rendered by the Registrar & Share Transfer Agent.</p> <p>(iv) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company</p>
RISK MANAGEMENT COMMITTEE (RMC)	<p>(i) To formulate a risk management policy for the Company</p> <p>(ii) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.</p> <p>(iii) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.</p> <p>(iv) To ensure that appropriate methodology, processes, and systems are in place to monitor and evaluate risks associated with the business of the Company.</p> <p>(v) To frame, implement and monitor the risk management plan of the Company.</p> <p>(vi) To monitor and review cyber security in the Company.</p> <p>(vii) To keep the board of Directors informed about the nature and content of its discussions, recommendations, and actions to be taken.</p> <p>(viii) The appointment, removal, and terms of remuneration of the Chief Risk Officer (if any)</p>
CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR)	<p>(i) To formulate and recommend to the Board, a CSR Policy inter-alia indicating the CSR thrust areas and including guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan.</p> <p>(ii) To recommend annual CSR budget and allocation between proposed projects.</p> <p>(iii) To formulate and recommend to the Board, annual action plan in pursuance of the Company's CSR policy which shall include the following:</p> <ol style="list-style-type: none"> the list of CSR projects or programmes; the manner of execution of such projects or programmes; the modalities of utilization of funds and implementation schedules for the projects or programmes; monitoring and reporting mechanism for the projects or programmes; and details of need and impact assessment, if any, for the projects undertaken by the company <p>(iv) To monitor the implementation of CSR programs / projects periodically. In case of ongoing project, monitor the implementation of the project with reference to the approved timelines and year-wise allocation and make modifications, if any, for smooth implementation of the project within the overall permissible time period.</p> <p>(v) Ensure that impact assessment is conducted, through an independent agency, of CSR projects having outlays of one Crore rupees or more, and which have been completed not less than one year before undertaking the impact study and the impact assessment reports are placed before the Board.</p> <p>(vi) Provide compliance oversight and ensure adoption of best practices and standards.</p> <p>(vii) To ensure transparency in reporting and communication with stakeholders on CSR projects and initiatives.</p>
ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE (ESG)	<p>a. The Committee shall guide the Company and its group in developing and implementing the ESG Strategy, Initiatives and Policies for the Company.</p> <p>b. The Committee shall review emerging risks and opportunities associated with ESG issues related to the Company that have the potential to impact reputation and business performance of the Company in consultation with the Risk Management Committee of the Board.</p>

SANSERA ENGINEERING LIMITED

- | | |
|--|---|
| | <p>c. The Committee shall ensure that the Company is taking appropriate measures to implement actions to further its ESG Strategy.</p> <p>d. The Committee shall review and oversee the development and implementation of targets, standards and metrics established by the management to assess and track the Company's ESG performance.</p> <p>e. The Committee shall, from time to time as it deems appropriate, review and re-assess the adequacy of corporate governance structure and practices, including the Corporate Governance Guidelines, and recommend any proposed changes to the Board.</p> <p>f. The Committee shall review any statutory requirements for Sustainability reporting including reporting under the Annual Report of the Company.</p> <p>g. The Committee may review and guide for providing any voluntary public disclosure on ESG matters including any material sustainability reports.</p> <p>h. The Committee shall review the performance and results of key ESG investor surveys and global benchmarks.</p> <p>i. The Committee has the authority to obtain advice and assistance from internal or external experts, advisors in implementing best practices in the Company. The Committee shall have the authority to approve related fees and retention terms of the external experts/advisors.</p> <p>j. The Committee may form and delegate authority to sub-committees or any official subject to the provisions of applicable laws, as may be deemed appropriate.</p> <p>k. The Committee shall oversee the Company's engagement with stakeholders on ESG issues, including in response to any proposals or other concerns that have been submitted to the Company.</p> <p>l. The Committee shall periodically report to the Board on ESG matters including Company's ESG strategy, initiatives, policies, performance, public disclosures, and engagement with stakeholders.</p> <p>m. To perform such other duties, tasks and responsibilities relevant to the purpose of the ESG, the Committee may from time to time be requested by the Board of Directors.</p> <p>The quorum of the meeting shall be a minimum of 2 directors. No meeting was held during the year under review.</p> |
|--|---|

SANSERA ENGINEERING LIMITED