



## **Allcargo Global Limited**

### **CORPORATE GOVERNANCE GUIDELINES**

## **1. Corporate Governance Philosophy**

The Company is committed to a culture of ethical governance and transparency, viewing sound oversight as the cornerstone for enhancing long-term shareholder value and sustaining investor trust. By embedding responsibility and accountability into our organizational ethos, we ensure that ethical leadership is practiced at both the Board and Management levels. We manage our affairs with diligence to generate continuous, sustainable value, ensuring our strategic goals are always aligned with our core values of integrity and honesty.

Our governance framework ensures that the interests of all stakeholders are managed in a balanced and transparent manner. This is overseen by an active, experienced Board and its Committees, who exercise their fiduciary duties with a clear focus on business ethics and regulatory compliance. As a responsible corporate citizen, the Company remains accountable to its customers, government bodies, and the wider community, striving to exceed standard requirements through the adoption of global best practices.

We believe that rigorous governance enables the Management to direct the Company's resources efficiently, maximizing value while mitigating risk. By focusing our strengths and strategies on our long-term vision, we remain steadfast in our commitment to upholding the highest standards of transparency and professional conduct.

## **2. Scope**

These guidelines would formalise the Corporate Governance framework and practices across the functions and operations of the Company. It ensures full adherence with the Companies Act, 2013 ("the Act"), SEBI (LODR) Regulations, 2015 ("the Listing Regulations") and other applicable laws.

## **3. Board of Directors**

The composition of the Board of Directors of the Company shall be in compliance with the provisions of Section 149 of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. It is also important to consider diversity of thoughts, perspective, knowledge, skill, experience, age, ethnicity, race, gender in the composition.

The Board shall have an optimum combination of executive and non-executive directors, with at least one woman director, and not less than fifty per cent of the Board shall comprise non-executive directors. Where the non-executive Chairperson is a promoter of the Company or is related to any promoter or to any person occupying a management position at the level of the Board or one level below the Board, at least fifty per cent of the Board shall consist of independent directors.

The Board of Directors has a primary role of trusteeship to protect and enhance

stakeholder value through effective supervision and strategic guidance. It is the responsibility of the Board to ensure overall compliance with the corporate governance framework of the Company and applicable laws and regulations.

The Board provides leadership and direction to the management and oversees the conduct of the Company's affairs in a transparent and accountable manner, either directly or through its Committees.

The principal functions of the Board include oversight of the adequacy and effectiveness of internal controls, risk management systems, financial reporting processes, and compliance with applicable laws and the Company's code of conduct. The Board also reviews the strategic, financial and operational objectives of the Company, evaluates the structure and functioning of the Board, and oversees the process of nomination, appointment and performance evaluation of directors to ensure sound corporate governance.

### **Independent Directors**

In compliance with, Section 149(6) and (7) the Act read with Rule 5 of the Companies (Appointment and Qualification of Director) Rules, 2014, the Company ensures that the conditions specified in the Act and the Listing Regulations are fulfilled for the appointment as an independent director.

The Independent Directors shall abide by the Code for Independent Directors under Schedule IV of the Act and obligations as provided in the Listing Regulations.

### **Term of appointment**

The term of whole-time directors shall not exceed five years on each occasion. An Independent Director shall hold office for a term of up to five (5) consecutive years and shall be eligible for re-appointment by passing of a special resolution by the Company and disclosure of such re-appointment in the Board's Report.

Notwithstanding the above, no Independent Director shall hold office for more than two (2) consecutive terms. An Independent Director shall be eligible for appointment after the expiration of a cooling-off period of three (3) years of ceasing to become an Independent Director, in accordance with the provisions of the Companies Act, 2013.**Code of Conduct**

The Board of Directors has laid down a Code of Conduct for the Board Members, Senior Management and Employees of the Company (collectively, the "Codes"). The Codes set out the standards of ethical conduct and business practices expected to be followed and are hosted on the Company's website.

The Company and independent directors abide by Code of Conduct for Independent Directors in accordance with Section 149(8) read with Schedule IV of the Companies Act, 2013, which serves as a guide to professional conduct, roles and responsibilities of the Independent Directors of the Company.

### **Conflict of Interest**

The Board Members are expected to disclose any possible conflict of interest, including anything that could impair their independence as Director and should discuss any such issues with the Chairman.

Each director is required to disclose their directorship/shareholding/relative details annually and immediately upon change to the Company.

All directors who are concerned or interested in a related party transactions of the Company dealt with as per Related Party Transactions Policy, are expected to recuse themselves from participating in the discussion at the Board/Committee meetings on such transactions.

### **Independent Directors meeting**

The Independent Directors shall hold at least one meeting in a financial year, in accordance with the provisions of Schedule IV of the Companies Act, 2013 and Regulation 25 of the Listing Regulations, without the presence of non-independent directors or members of management, and all Independent Directors shall endeavour to be present at such meeting.

### **Board meetings**

The Board of Directors meet at least four times a year, with a maximum time gap of one hundred and twenty days between any two meetings.

The quorum for every meeting of the Board of Directors shall be one-third of its total strength or three directors, whichever is higher, including at least one independent director. The participation of the directors by video conferencing or by other audio visual means shall be counted for the purposes of such quorum.

The remuneration payable, if any, to the Directors shall be determined by the Nomination and Remuneration Committee and recommended to the Board for its consideration and approval.

## **4. Committees of the Board**

In compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and to facilitate focused oversight, operational efficiency and expeditious decision-making, the Board of Directors has constituted various Committees with defined terms of reference. The Committees function as empowered agents of the Board and periodically report to the Board on matters entrusted to them. The Company has constituted the following Committees of the Board:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Risk Management and Finance Committee
5. Corporate Social Responsibility and Sustainability Committee

The Committees function as empowered agents of the Board within the scope of their respective terms of reference. The minutes of meetings of all Board Committees are placed before the Board for its perusal and noting, and the Committees periodically report to the Board on matters referred to them.

All matters relating to the constitution, re-constitution or dissolution of Board Committees, appointment of members, and formulation or modification of the terms of reference of such Committees are decided by the Board of Directors or by duly delegated authorities, as permitted under applicable laws.

The Board and its Committees perform such roles and functions as may be mandated under the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the rules and regulations framed thereunder, as amended from time to time, even where such roles or functions are not expressly set out in their respective terms of reference.

The Board and its Committees are empowered to seek external legal, professional or other expert advice and to invite external persons with relevant expertise to attend meetings, as and when considered necessary.

The terms of reference, roles and responsibilities of the Committees are reviewed and aligned from time to time in accordance with changes in applicable laws and business needs, with the approval of the Board.

#### **Details of the Committees are as under:**

##### **i. Audit Committee**

###### **Regulatory Framework**

The Company has constituted an Audit Committee in accordance with the provisions of Section 177 of the Companies Act, 2013, the rules made thereunder, and Regulation 18(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The terms of reference of the Audit Committee are in line with the requirements of the Act and the Listing Regulations, as amended from time to time.

###### **Constitution**

The Audit Committee shall comprise a minimum of three (3) non-executive directors. All members shall be financially literate, and at least one member shall

have accounting or related financial management expertise.

The Chairperson of the Audit Committee shall be an Independent Director and the Company Secretary shall act as the Secretary to the Audit Committee.

### **Meetings**

The Audit Committee shall meet at least four (4) times in a financial year. The maximum gap between two consecutive meetings shall not exceed 120 days.

The quorum for meetings shall be two members or one-third of the total strength of the Committee, whichever is higher, with at least two Independent Directors present.

### **Roles and Responsibilities**

Roles and Responsibilities (Terms of Reference) of the Audit Committee are listed in **Annexure 1**.

The Audit Committee may, at its discretion, invite the Head of the Finance function, Head of Internal Audit, representative of the Statutory Auditors, other Directors, Senior Managerial Personnel, Company officials or any other executives (internal or external), as it is considered appropriate, to attend its meetings.

## **ii. Nomination and Remuneration Committee**

### **Regulatory Framework**

The Company has constituted a Nomination and Remuneration Committee in accordance with the provisions of Section 178 of the Companies Act, 2013, the rules made thereunder, and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **Constitution**

The Nomination and Remuneration Committee shall comprise at least three (3) non-executive directors, with at least fifty per cent (50%) of the members being Independent Directors.

The Chairperson of the Committee shall be an Independent Director. The Company Secretary shall act as the Secretary to the Committee.

### **Meetings**

The Nomination and Remuneration Committee shall meet at least once in a financial year.

The quorum for meetings shall be two members or one-third of the total strength of the Committee, whichever is higher.

### **Roles and Responsibilities**

Roles and Responsibilities (Terms of Reference) of the Nomination and Remuneration Committee are listed in **Annexure 2**.

The Committee may invite such executives, as it is considered appropriate to be present at the meetings of the Committees

## **iii. Stakeholders Relationship Committee**

### **Regulatory Framework**

The constitution and terms of reference of the Stakeholders Relationship Committee are in compliance with the provisions of Section 178(5) of the Companies Act, 2013, the rules made thereunder, and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

### **Constitution**

The Stakeholders Relationship Committee shall be chaired by a Non-Executive Director.

The Company Secretary shall act as the Compliance Officer of the Company in terms of the Listing Regulations.

### **Meetings**

The Stakeholders Relationship Committee shall meet as and when required, but at least once in a financial year, to, inter alia, consider and resolve matters relating to transfer and transmission of shares or securities and to monitor the redressal of grievances of security holders, including issues relating to non-receipt of annual reports, dividends, issue of duplicate share certificates and other related matters.

The quorum for meetings of the Stakeholders Relationship Committee shall be two Directors.

### **Roles and Responsibilities**

Roles and Responsibilities (Terms of Reference) of the Stakeholders Relationship Committee are listed in **Annexure 5**.

The Committee may invite such executives, as it considers appropriate to be present at the meetings of the Committees.

#### **iv. Risk Management & Finance Committee**

##### **Regulatory Framework**

The Company has constituted a Risk Management & Finance Committee in accordance with Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

##### **Constitution**

The Risk Management & Finance Committee shall comprise members at the Board level and/or executive level, as determined by the Board from time to time.

The Company Secretary shall act as the Secretary to the Committee.

##### **Meetings**

The Risk Management Committee shall meet at least twice in a financial year, and the maximum gap between any two consecutive meetings shall not exceed two hundred and ten (210) days.

The quorum for meetings shall be two members or one-third of the total strength of the Committee, whichever is higher.

##### **Roles and Responsibilities**

Roles and Responsibilities (Terms of Reference) of the Risk Management Committee are listed in **Annexure 3**.

The Committee may invite such executives, as it considers appropriate to be present at the meetings of the Committees.

#### **v. Corporate Social Responsibility & Sustainability Committee**

##### **Regulatory Framework**

The Corporate Social Responsibility and Sustainability Committee has been constituted in accordance with the provisions of Section 135 of the Companies Act, 2013, read with the rules made thereunder.

##### **Constitution**

The Corporate Social Responsibility and Sustainability Committee shall comprise two (2) or more directors. As the Company is not required to appoint Independent Directors under Section 149 of the Companies Act, 2013, the composition of the Committee is accordingly aligned.

The Company Secretary shall act as the Secretary to the Committee.

## **Meetings**

The Committee may meet as often as required, depending on business and statutory requirements.

The quorum for meetings shall be two members or one-third of the total strength of the Committee, whichever is higher.

## **Roles and Responsibilities**

Roles and Responsibilities (Terms of Reference) of the Corporate Social Responsibility and Sustainability Committee are listed in **Annexure 4**.

The Committee may invite such executives, as it considers appropriate to be present at the meetings of the Committees

## **5. Performance Evaluation**

The Nomination and Remuneration Committee and the Board of Directors shall carry out the evaluation of the performance of the Board, its Committees and individual Directors in accordance with the provisions of Sections 134 and 178 of the Companies Act, 2013, and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

## **6. Statutory Auditors**

The Statutory Auditors of the Company shall be appointed by the shareholders of the Company, upon the recommendation of the Board of Directors and the Audit Committee, in accordance with the provisions of Sections 139, 141 and other applicable provisions of the Companies Act, 2013, read with the rules made thereunder.

The Statutory Auditors so appointed shall be persons or firms who meet the eligibility, independence and other requirements prescribed under the Companies Act, 2013. The Company shall obtain such declarations and confirmations from the Statutory Auditors as may be required under applicable law.

## **7. Internal Auditors**

The Company shall appoint Internal Auditors in accordance with the provisions of Section 138 of the Companies Act, 2013, read with the rules made thereunder.

The Internal Auditors shall conduct independent and objective evaluations of the adequacy and effectiveness of the Company's internal control systems, risk management processes and operational procedures, and shall report their findings to the Audit Committee.

## **8. Secretarial Auditors**

The Secretarial Auditor of the Company, being an independent Peer Reviewed Company Secretary in Practice, shall be appointed or re-appointed by the shareholders of the Company at the Annual General Meeting, upon the recommendation of the Board of Directors, in accordance with the provisions of Section 204 of the Companies Act, 2013, read with the rules made thereunder, and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

A “Peer Reviewed Company Secretary” means a Company Secretary in Practice, whether practising individually or as a sole proprietor or as a partner of a peer-reviewed practice unit, holding a valid certificate of peer review issued by the Institute of Company Secretaries of India, and the Company may appoint or re-appoint (i) an individual as Secretarial Auditor for a term not exceeding five (5) consecutive years, or (ii) a Secretarial Audit firm as Secretarial Auditor for not more than two (2) terms of five (5) consecutive years each.

## **9. Key Managerial Personnel**

The Company shall appoint Key Managerial Personnel, as applicable, in accordance with the provisions of Section 203 of the Companies Act, 2013 and the rules made thereunder. The Company shall ensure compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in relation to appointment, remuneration and disclosure requirements of Key Managerial Personnel.

## **10. Disclosures and Transparency**

The Company is committed to maintaining high standards of disclosure based on the principles of transparency, timeliness, fairness and consistency. The Board of Directors, or such person(s) as may be authorised by the Board in accordance with applicable laws and regulations, shall ensure that all disclosures required to be made to regulators, statutory authorities, shareholders, investors, members and other stakeholders are duly, accurately and promptly made in compliance with the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Codes and policies adopted by the Company.

## **11. Approval and Amendments**

The Board of Directors is authorised to review, modify, amend or supersede these Guidelines, in whole or in part, from time to time, as may be required to ensure compliance with applicable laws, regulations and governance requirements.

In the event of any amendment to the formal terms of reference of the Board and/or its Committees as approved by the Board from time to time, the person(s) authorised by the Board shall be empowered to suitably update, modify or amend the corresponding terms of reference set out in the Annexures to these Guidelines.

## **12. Scope and Limitation**

In the event of any inconsistency or conflict between the provisions of these Guidelines and the provisions of the Companies Act, 2013, the rules made thereunder, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, or any other applicable laws, rules, regulations, circulars or statutory enactments, as amended from time to time, the provisions of such applicable laws and regulations shall prevail to the extent of such inconsistency.

## **13. Review Of the Guidelines**

The Board reserves right to amend or modify these guidelines as and when required, in whole or in part. The guidelines shall be disseminated on the website of the Company.

**Terms of Reference of the Audit Committee**

1. Recommend the appointment, remuneration and terms of appointment of auditors of the Company.
2. Review and monitor the auditors' independence, performance and effectiveness of the audit process with the management.
3. Examine the financial statement and the auditors' report thereon.
4. Approve transactions of the Company with related parties (including omnibus approval) and any subsequent modification thereof.
5. Review and approve the related party transactions referred to in the Companies Act, 2013 and SEBI LODR Regulations, 2015.
6. Make recommendations to the Board in case of transactions, other than transactions referred to in Section 188 of the Act, entered with entities other than Wholly Owned Subsidiary Companies, where the Committee does not approve the same.
7. Ratify certain transactions entered into by Directors or Officers as specified under Section 177 of the Act, if not approved by the Audit Committee within three months from the date of the transaction.
8. Scrutinize inter-corporate loans and investments.
9. Valuation of undertakings or assets of the Company wherever necessary.
10. Evaluate internal financial controls and risk management systems.
11. Review and monitor the use of funds raised through public, rights, preferential issues, etc., and make recommendations to the Board regarding deviations.
12. Call for comments of auditors on internal control systems, audit scope, and review financial statements before submission to the Board.
13. Act in accordance with the terms of reference specified by the Board.
14. Review quarterly, half-yearly, and annual financial statements/results, including auditors' reports, with special attention to key accounting policies, estimates, adjustments, compliance with laws, and related party disclosures.
15. Review adequacy of internal audit function, including staffing, reporting structure, coverage, and frequency.
16. Discuss significant findings of internal audits and follow-up actions.
17. Review internal investigations relating to fraud, irregularities, or material internal control failures and report to the Board.
18. Discuss the scope and findings of statutory audits with auditors.
19. Examine reasons for defaults in payments to depositors, debenture holders, shareholders, or creditors.
20. Review the functioning of the Whistle Blower/Vigil Mechanism.
21. Approve the appointment of CFO or equivalent after assessing qualifications and experience.

22. Oversee financial reporting processes and ensure disclosure of credible financial information.
23. Review internal controls for financial reporting and significant changes therein.
24. Approve payments to statutory auditors for other services.
25. Review utilization of loans/advances or investments in subsidiaries exceeding specified thresholds.
26. Consider and comment on schemes involving mergers, demergers, amalgamations, etc.
27. Mandatorily review:
  - a) Management discussion and analysis;
  - b) Management letters/internal control weakness letters;
  - c) Internal audit reports on internal control weaknesses;
  - d) Appointment/removal/terms of remuneration of Chief Internal Auditor;
  - e) Quarterly/annual statements of deviations, including monitoring agency reports.
28. Review compliance certificates furnished by CEO and CFO on financial statements.
29. Carry out other functions mentioned in the Audit Committee ToR.
30. Review compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015, at least once annually.
31. Review complaints under the Policy for inquiry into leaks of Unpublished Price Sensitive Information.
32. Review performance of statutory and internal auditors and adequacy of internal controls.
33. Review the Company's Financial Policies.
34. Consider requests from Treasury for deviations from Investment Policy and amendments thereto.
35. Select, engage, and approve fees for professional advisors/consultants as required.

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

1. Identify persons who are qualified to become Directors of the Company and who may be appointed in senior management (one level below the Board), key managerial personnel in accordance with the criteria laid down, recommend to the Board their appointment and removal.
2. Formulate criteria for evaluation of Independent Directors in the Board, recommend to the Board the process of Board Evaluation either (a) through in-house anonymous peer-to-peer evaluation process by the Board members or (b) through an external expert. In addition thereto, the performance evaluation of Independent Directors will be required to be done by the entire Board excluding the Director being evaluated.
3. While appointing an Independent Director, the 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:
  - 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
4. Recommend to the Board 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.
5. Devise a policy on Board Diversity.
6. 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.
7. Assist the Board in formulating succession plan for the Board and Senior Management and provide an effective oversight in respect of succession planning.
8. Assist the Board in setting process for Board evaluation.
9. Recommending to the Board, remuneration payable to senior management.
10. Select, engage and approve fees for professional advisors that the Committee may require to carry out their duties.
11. Review the functioning of Nomination and Remuneration Policy.
12. Oversee various aspects, compliances as mentioned in the term of references and carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable.
13. Evaluate the composition of the Board' Committee and identify the current and future needs of the organization to ensure that the Committee has the necessary diversity, perspectives, experience, skills, maturity and judgment to effectively pursue their duties in planning and oversight. Also, to make recommendation to the Board for electing

chairman and members of the Committee, while constituting/reconstituting the Committee.

14. Develop charters for any new committees established by the Board and review the charters of each existing committee and recommend any amendments to the Board
15. Advise the Board about operational strategies including relevant amendments to the organization's bylaws to strengthen the organization and empower the Board in meeting its obligations related to good governance principles and abide by the organization's mission.
16. Advise the Board about strategies that strive to increase individual Director's effectiveness and their abilities to work collaboratively with their peers.
17. Review, recommend and ensure the Implementation of structures and procedures to facilitate the Board's Independence from management and to avoid actual and Potential conflict of interest between the Board, Key Managerial Personnel, Senior Managements and the Company, to reflect best practices for overall good governance.
18. To act as a forum for addressing the concern of Individual Directors, Key Managerial Personnel and Senior Management.
19. Ensure that the mechanism is in place for comprehensive orientation for newly appointed Board Directors and provide ongoing board training and development.
20. Recommend continuing orientation programs for on-going development/exposures to Independent Director(s) for best practices related to good governance.
21. To foster a healthy corporate governance culture within the organization.

**Terms of Reference of the Stakeholders Relationship Committee**

1. Consider and approve requests received for transfer or transmission of securities, issue of duplicate certificates, re-materialisation/dematerialisation of securities, and issuance of shares lying in the Unclaimed Suspense Account and attend to all matters connected thereto.
2. Consider and redress grievances of shareholders/investors relating to transfer, transmission, demat, re-mat of securities, non-receipt of notices of general meetings, Annual Reports, share certificates, dividend, interest, refund orders and any other corporate benefits or services.
3. Review and monitor compliance with applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereto, particularly in relation to investor grievances, transfer and transmission processes, and shareholding pattern-related requirements.
4. Select, engage and approve the fees of professional advisors, consultants or service providers that the Committee may require to effectively carry out its duties.
5. Review the measures undertaken by the Company to enable and ensure effective exercise of voting rights by shareholders.
6. Review adherence to the service standards adopted by the Company with respect to services rendered by the Registrar & Share Transfer Agent (RTA), including timelines, quality of service, and investor interface.
7. Review the various measures and initiatives undertaken by the Company to reduce the quantum of unclaimed dividends and ensure timely receipt of dividend warrants, Annual Reports, statutory notices and other communication by the shareholders.
8. Oversee protection of the interests of shareholders, debenture holders and other security holders and carry out any other function as may be mandated by the Board or required by statutory notifications, amendments or modifications from time to time.

**Terms of Reference of the Risk Management & Finance Committee**

1. Formulate a detailed Risk Management Policy which shall include:
  - a framework for identification of internal and external risks faced by the Company, including financial, operational, sectoral, sustainability (including ESG-related risks), information and cyber security risks, and any other risks as determined by the Committee;
  - measures for risk mitigation including systems and processes for internal control of identified risks;
  - a Business Continuity Plan.
2. Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
3. Monitor and oversee implementation of the Risk Management Policy, including evaluation of the adequacy and effectiveness of risk management systems.
4. Periodically review the Risk Management Policy, at least once every two years, taking into account evolving industry dynamics, emerging risks, and increasing business complexity.
5. Keep the Board of Directors informed about the nature, content and outcome of its discussions, recommendations and actions required.
6. Review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any).
7. Frame, monitor and implement the Risk Management Plan and review the Company's risk governance structure, risk assessment frameworks, risk management practices, and procedures.
8. Adopt policies and systems for maintaining information and cyber security, including protections against hacking incidents, data breaches, loss of confidential or sensitive information, etc.
9. Identify, review and monitor risks across all business verticals and functions of the Company, including strategic, financial, operational, currency/market, workplace safety, information security, regulatory and reputational risks.
10. Obtain reasonable assurance from business heads and management that all known and emerging risks have been identified, assessed, mitigated or otherwise managed appropriately.
11. Frame guidelines, policies and processes for ongoing monitoring and mitigation of risks.
12. Set strategic plans and objectives for risk management and risk minimisation aligned with the Company's business strategy.
13. Oversee the risk management process, internal controls, fraud risk assessment, risk tolerance levels, capital adequacy, liquidity and funding risks.
14. Review compliance with risk policies, monitor breaches or triggers of risk tolerance limits, and direct appropriate corrective action.

15. Oversee development and deployment of risk mitigation plans to reduce vulnerability to prioritized risks and ensure appropriate risk oversight across the organisation.
16. Maintain, update and periodically review the Company's Risk Registers.
17. Delegate authorities from time to time to Committee Members, Executives or Authorized persons to implement Committee decisions and execute necessary documents.
18. Promote sustainable business growth, protect Company assets, safeguard shareholders' investments, ensure compliance with applicable laws and regulations and minimize exposure to major risks.
19. Obtain advice and assistance from internal or external legal, accounting, risk management or other professional advisors as the Committee may deem necessary.
20. Periodically report to the Board and perform such other functions as may be required, directed or delegated by the Board from time to time.

**Terms of Reference of Corporate Social Responsibility & Sustainability Committee**

1. Formulate and recommend to the Board, a Corporate Social Responsibility (“CSR”) Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act.
2. Formulate and recommend to the Board, an annual action plan which shall include the list of CSR Projects or Programmes that are approved to be undertaken in the areas or subjects as specified in Schedule VII of the Act, the manner of execution of such projects or programmes, the modalities of utilisation of funds and implementation schedules for the projects or programmes, monitoring and reporting mechanism for the projects or programmes, details of need and impact assessment, if any, for the projects undertaken by the company and recommend any alteration in such annual action plan.
3. Recommend the amount of expenditure to be incurred on the CSR activities as per limits prescribed under the Act.
4. Review the CSR projects and program or activities undertaken by the Company and recommend suitable changes as deem fit or necessary.
5. Institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.
6. Carry out such other functions as may be entrusted by the Board or which may be required to be undertaken pursuant to any regulatory or statutory requirements/ stipulations prescribed from time to time.
7. Select, engage and approve fees for professional advisors/ consultants that the Committee may require to carry out their duties.
8. Oversee various aspects, compliances in respect of CSR expenditure and carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable.
9. To review the impact of the assessment study of the CSR Projects every 2-3 years.
10. Recommend to the Board for approval and implementation of ESG policies, including the Business Responsibility and Sustainability Policy, and the overall ESG strategy of the Company.
11. Ensure, in coordination with the Risk Management Committee, that ESG risks are identified and managed effectively.