

## **RESTILE CERAMICS LIMITED**

### **COMPOSITION AND INFORMATION ABOUT VARIOUS COMMITTEES OF BOARD OF DIRECTORS**

The Mandatory Committees of the Company constituted by the Board are as hereunder inter alia includes the following:-

#### **1. Audit Committee:**

The Company's Audit Committee comprises of Independent Directors and Non Independent Directors. Each Member of the Committee has relevant experience in the field of finance and accounting.

#### **Powers of Audit Committee:**

The powers of audit committee shall include the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it consider necessary.

#### **Terms of reference of Audit Committee:**

The terms of reference of Audit Committee inter alia are as follows:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, remuneration and terms of appointment of auditors of the Company.
3. Approval of payment to statutory auditor(s) for any other services rendered by them.
4. Reviewing; with management, the annual financial statements before submission to the Board for its 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 (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, if any.
  - d. Significant adjustments made in the financial statements arising out of audit findings, if any.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of related party transactions, if any.
  - g. Qualifications in the (draft) audit report, if any.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.

6. Reviewing; with 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 the 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 up steps in this matter.
7. Review and monitor the 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 the 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 for any significant findings and follow up there on.
15. Reviewing the findings 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 auditor(s) 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 nonpayment of declared dividend(s) 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 functions as mentioned in the terms of reference of the Audit Committee.

## **Review of information by Audit Committee**

The Audit Committee reviewed the following information:

1. Management discussion and analysis of financial conditions and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review of the Audit Committee;

## **Shareholders Relationship and Share Transfer Committee:-**

The Stakeholders Relationship Committee's term of reference includes the following

- a. Consider and resolve grievances of all classes of investors of the company;
- b. Review statutory compliance relating to stakeholders.
- c. Ensure setting of proper controls and oversee the performance of Registrar and Share Transfer Agent;
- d. Look into the redressing of the shareholders complaints and queries;
- e. Review movement in shareholdings and ownership structure of the Company;
- f. Oversee compliance in respect of dividend payment and transfer of unclaimed dividend amount to IEPF.
- g. Consider and resolve grievances of stakeholders including compliance related to transfer of securities, non-receipt of Annual Report / Dividend Warrant etc.

Share transfer will be processed fortnight and approved by the Share Transfer Committee. Investor grievances also placed before the Committee.

## **Nomination and Remuneration Committee:**

The Committee consists of 3 members of which 3 are independent directors. The terms of reference of the Committee include inter-alia the following:-

- a. Formulation of the 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;
- b. Formulation of criteria for evaluation of Independent Directors and the Board;
- c. Devising a policy on Board diversity;

- d. 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. The company disclosed the remuneration policy and the evaluation criteria in its Annual Report.

<b>Composition of Committees of the Board</b>				
<b>Name of Director</b>	<b>DIN No</b>	<b>Audit Committee</b>	<b>Nomination and Remuneration Committee</b>	<b>Shareholders and Transfer Committee</b>
NALINKANT AMRATLAL RATHOD	272129	-	-	-
TRIBHUVAN SIMH RATHOD	1996833	-	-	-
BHARATI NALIN RATHOD	2587701	-	-	-
NALANDULA SRINIVASA RAO RAMACHANDRAN	89348	C	M	C
GOPALACHARI PADMANABHAN	101432	M	-	M
TENKASI RAMANARAYANAN SEETHARAMAN	2385221	M	-	M
NARAYANAN SUBRAMANIAN	2577983	M	C	-
YASH K SHAH	2155636	M	M	-
RAJENDRA PRASAD KANDIKATTU	143653	-	-	-

C:- Chairman M:- Member