

MAC CHARLES (INDIA) LIMITED

BOARD AND COMMITTEES OF BOARD

1. BOARD OF DIRECTORS

The composition of the Board is in compliance with the requirements of Companies Act, 2013 (“Act”) and Regulation 17 of the Listing Regulations.

SI No	Name of the Director	Category of Directorship
1	Mr. P B Appiah	Independent - Non Executive
2	Mr. Suresh Vaswani	Independent - Non Executive
3	Mrs. Tanya Girdhar	Independent - Non Executive
4	Mr. P R Ramakrishnan	Independent - Non Executive
5	Mr. Aditya Virwani	Independent - Non Executive

The profile of the Directors can be accessed on the Company’s website at <https://www.maccharlesindia.com/investorrelations/boardofdirectors.aspx>.

The company requires skills, expertise, competencies in the area of strategy , finance, accounting, economics, legal, investment in financial products, regulatory matters and customer servicing, especially in the business of hospitality, real estate and constructions to efficiently carry on its core business such as running five star hotel, investments, wind mill operations, real estate and construction. All the above required skills, expertise, competencies are available with the Board of Directors.

The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills, experience, maturity, expertise, diversity and independence. The Board provides leadership, strategic guidance, an objective and independent view to the Company’s management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure. The Board periodically evaluates the need for change in its composition and size.

2. AUDIT COMMITTEE

The Audit Committee of the Board is constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, including the scope and terms of reference.

The powers and role of the Audit Committee are also in consonance with Regulation 18 and Part C of Schedule II of SEBI (Listing Obligation and Disclosure Requirements) and Section 177 of the Companies Act, 2013.

Brief description of terms of reference composition, name of members and chairperson Meetings and attendance during the year Company has constituted the Audit Committee, which comprises of the following Directors :

1. Mr. P. B. Appiah
2. Mr. Suresh Vaswani
3. Mrs. Tanya Girdhar
4. Mr. P. R. Ramakrishnan

Brief description of the terms of reference of Audit Committee are as under:

The role of the audit committee shall include the following:

The audit committee shall mandatorily review the following information:

- (1) management discussion and analysis of financial condition and results of operations;
- (2) statement of significant related party;
- (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 internal auditor .
- (6) statement of deviations:
 - (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).

The role of audit committee shall be as under:

- (7) oversight of financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (8) recommendation for appointment, remuneration and terms of appointment of auditors ;
- (9) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (10) reviewing, with the management, the annual financial statements and auditor's report thereon 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 (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;
- (11) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (12) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (13) approval or any subsequent modification of transactions with related parties;
- (14) scrutiny of inter-corporate loans and investments;
- (15) valuation of undertakings or assets, wherever it is necessary;
- (16) evaluation of internal financial controls and risk management systems;
- (17) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (18) reviewing the adequacy of internal audit function
- (19) discussion with internal auditors of any significant findings and follow up there on;
- (20) 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;

- (21) 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;
- (22) 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;
- (23) to review the functioning of the whistle blower mechanism;
- (24) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (25) 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.

3. NOMINATION AND REMUNERATION COMMITTEE

As per provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR), the Nomination and Remuneration Committee should consist of 3 or more Non-Executive Directors out of which not less than one half shall be Independent Directors.

The composition of the Nomination and Remuneration committee :

1. Mr. P. B. Appiah
2. Mrs. Tanya Girdhar
3. Mr. P. R. Ramakrishnan

Role of committee, inter-alia, includes the following:

- (1) 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;
- (2) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) devising a policy on diversity of board of directors;
- (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 of directors their appointment and removal.
- (5) 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.
- (6) recommend to the board, all remuneration, in whatever form, payable to senior management.

Performance evaluation criteria for independent Directors:

The performance evaluation criteria for the Independent Directors is determined by the NRC. An indicative list of parameters and factors on which evaluation was carried out includes participation and contribution by the Director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgement.

Mr. P B Appiah is the Chairman of the NRC, was present at the last AGM.

4. STAKEHOLDERS RELATIONS COMMITTEE

The Stakeholders' Relations Committee has been constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 and Part D of Schedule VI of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the scope and terms of reference.

The Committee comprises the following members :

1. Mr. P. B. Appiah
2. Mrs. Tanya Girdhar
3. Mr. P. R. Ramakrishnan

The role of the committee shall *inter-alia* include the following:

- 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.
- ii) Review of measures taken for effective exercise of voting rights by shareholders.
- iii) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- 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.

5. RISK MANAGEMENT COMMITTEE (“RMC”)

Since your company is not a company which is included in the list of top 500 listed companies determined on the basis of market capitalisation. The provisions of Regulation 21 of SEBI LODR are not applicable to the Company. However, the Company has constituted the Risk Management Committee on a voluntary basis.

The Board of Directors have constituted a Risk Management Committee to frame, implement and monitor the risk management plan of the Company.

The Committee comprises the following members :

1. Mr. P. B. Appiah
2. Mrs. Tanya Girdhar
3. Mr. P. R. Ramakrishnan

The Committee has formulated a Risk Management Policy, which lays down a vigorous and active process for identification and mitigation of risks. The Committee reviews and monitors the Risk Management and mitigation plan from time to time.

The terms of reference of the Risk Management Committee *inter-alia*, includes the following:

- To review the Risk Management Plan / Policy and its deployment within the Company;
- To monitor the effectiveness of the Risk Management Plan / Policy;
- To decide the maximum risk-taking ability of the Company to guide the Board in making new investments;
- To review the major risks of the Company and advise on its mitigation to the Board;
- Such other functions as may be delegated by the Board from time to time.