



Governance Charter for Board and its Committees

of

LT Foods Limited

Regd. Office: Unit No. 134, 01st Floor, Rectangle-1, Saket District Centre, New Delhi 110034
Corporate Office: 04th Floor, MVL-IPark, Sector-15, Gurugram, Haryana 122001

Fundamentals of LT Foods Limited

LT Foods is into Consumer Food Business for the last 70 years that is a leading player in the specialty rice and rice food products and organic business across the globe, delivering the finest quality and taste experiences to its consumers across various countries. The Company is listed on two Stock Exchanges in India, namely, BSE Limited and National Stock Exchange of India Limited.

Corporate Vision

LT Foods' vision is to be a leading Indian origin food company with global presence in specialty rice, rice-based food, organic food and complementary categories that creates sustainable business growth, has a positive impact on society and creates value for its internal as well as external stakeholders.

LT's Foundation Documents

- a. The Memorandum of Association; and
- b. The Articles of Association.

The Memorandum of Association and Articles of Association sets out the foundation of the Company, on which it operates. The Memorandum of Association governs the relationship between the Company and the public at large and sets out the Objects of the Company, while Articles of Association govern the internal management of the Company. The Memorandum and Articles of Association of the Company have been amended, as and when it was necessary, with the approval of shareholders.

Company Structure

The Board of Directors ('the Board') are responsible for the management, general affairs, direction and performance of the Company. The Board has been vested with the requisite powers, authorities and duties as per the provisions of the Companies Act, 2013 ("the Act"), SEBI Listing Regulations 2015 and the Articles of Association of the Company.

Executive and Non-Executive Directors are members of the Board and share the overall responsibility of the strategic direction of the Company. The Executive Directors have additional responsibilities for the operation of the Company's business. The Non-Executive Directors who are Independent Directors discharge their role as such in accordance with the Act and the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations, 2015) as amended from time to time respectively.

Company Policies

The Company has developed and adopted a set of policies to provide mandatory rules designed to ensure consistency in key areas within the operations of the Company. These Policies are applicable across all Units / Branches and they govern the principles and practices of how the Company runs its business.

1. The Board

1.1. Role of the Board

The role of the Board is that of a guardian and trustee of the Company's interests. The Board has the final responsibility for the management, direction and performance of the Company and its business. In all its dealings and decision making, the Board shall consider the interests of the Company as a whole, the interest of its shareholders, employees, consumers, customers, suppliers, Government and all other stakeholders together with Company's social and legal responsibilities in the communities in which it operates and to the responsibility towards the environment. The Board shall exercise objective and independent judgment and shall be collectively responsible for the long-term success of the Company.

1.2. Board Composition

The composition of the Board as a whole shall be commensurate with the size of the Company, its portfolio and geographical spread, where the balance between skills and experience is an optimal one. The composition of the Board shall enable the Board to discharge its responsibilities and provide effective leadership to the business. The composition of the Board shall be such that the members are able to act critically and independently of one another and without any particular interest.

The Board shall ordinarily comprise of at least six directors with majority of Non-Executive Independent Directors and at least one Woman Independent Director.

1.3. Board Powers

As per the Act, the Board of Directors of a Company shall exercise the following powers on behalf of the Company by means of resolutions passed at meetings of the Board, namely:

- (a) To make calls on shareholders in respect of monies unpaid on their shares;
- (b) To authorize buy-back of securities under section 68;
- (c) To issue securities, including debentures, whether in or outside India;
- (d) To borrow monies;
- (e) To invest the funds of the Company;
- (f) To grant loans or give guarantee or provide security in respect of loans;
- (g) To approve financial statement and the Board's report;
- (h) To diversify the business of the Company;
- (i) To approve amalgamation, merger or reconstruction;
- (j) To take over a company or acquire a controlling or substantial stake in another company;
- (k) Any other matter which may be prescribed through the Act or Rules made thereunder.

Provided that the Board may, by a resolution passed at a meeting, delegate to any committee of Directors, the Managing Director, the Manager or any other principal officer of the Company or in the case of a Branch office of the Company, the principal officer of the Branch office, the powers specified in clauses (d) to (f) on such conditions as it may specify.

1.4. Responsibilities and Duties of the Board

The responsibilities of the Board of Directors as a whole, flow from the Act, the Memorandum and Articles of Association and the SEBI Listing Regulations, 2015. These responsibilities shall inter-alia include:

- a. Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans; setting performance objectives; monitoring implementation and corporate performance; and overseeing major capital expenditures, acquisitions and divestments.
- b. Monitoring the effectiveness of the company's governance practices and making changes as needed.
- c. Selecting, compensating, monitoring and, when necessary, replacing key executives and overseeing succession planning.
- d. Aligning key executive and board remuneration with the longer term interests of the company and its shareholders.
- e. Ensuring a transparent board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board.
- f. Monitoring and managing potential conflicts of interest of management, board members and shareholders, including misuse of corporate assets and abuse in related party transactions.
- g. Ensuring the integrity of the company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.
- h. Overseeing the process of disclosure and communications.
- i. Monitoring and reviewing Board Evaluation framework.

1.5. Duties of the Board

The Board of Directors are responsible for the overall conduct of the Company and have the powers, authorities and duties vested in them respectively pursuant to the relevant laws. As per the Act, the duties of the Directors are:

- (1) to act in accordance with the Articles of the company.
- (2) to act in good faith in order to promote the objects of the company for the benefit of its members as a whole, and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment.
- (3) to exercise their duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
- (4) The Directors shall not involve in a situation in which they may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
- (5) The Directors shall not achieve or attempt to achieve any undue gain or advantage either to themselves or to their relatives, partners, or associates.
- (6) The Directors shall not assign their office to any other person.
- (7) Any other matter as may be prescribed.

1.6. Appointment to the Board

The Nomination and Remuneration Committee shall identify and recommend a suitable candidate who satisfies the criteria mentioned above and possesses required skill set and expertise. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors shall consider the candidate for appointment to the Board. However, such appointment will be subject to approval of shareholders at the General Meeting.

On Appointment, the Director shall be given a Letter of Appointment, setting out in detail the terms of appointment, duties, responsibilities and expected time commitments. Each new appointed Director shall be taken through a Formal Induction Program as detailed under Induction Column of this Charter.

At the time of appointment, the Director shall make disclosure of their interests and significant commitments to the Board. Any change in such commitments should also be reported to the Board as and when it arises. Independent Director shall also provide a certificate of Independence in line with the requirements of the Companies Act, 2013 and the SEBI Listing Regulations, 2015.

In accordance with the Act and the Articles of Association of the Company, all Directors, except for the Managing Director and the Independent Directors, shall step down at the Annual General Meeting each year and, if eligible, may offer themselves for re-election.

A shareholder who wishes to recommend a candidate for being appointed as a Director at the ensuing Annual General Meeting or for vacancies of the Board that arise between meetings, must provide the Board with timely and sufficient written documentation as prescribed under the law, to permit a determination by the Board whether such candidate meets the criteria for appointment to the Board.

In case an Independent Director resigns or is removed from the Board of the Company, a new Independent Director shall be appointed within three months from the date of such vacancy.

1.7. Board Membership Criteria

The Nomination and Remuneration Committee shall be responsible for identifying, screening, recruiting and recommending candidates for election as Directors on the Board. An assessment of the skills and characteristics needed by the Board in the context of scenario, at the relevant point in time, shall be performed by the Nomination and Remuneration Committee. Following shall act as guidelines when selecting a member of the Board.

Desired professional expertise and experience

- A. Industry/Finance/Banking professional with commensurate professional qualification and proven track record.
- B. Senior retired Government officials / civil servants with proven track record and diverse experience including in the area of finance, public service.
- C. Background in consumer goods industry;
- D. Understanding of the markets where LT Foods is active, in particular the developing and emerging markets;
- E. Executive management experience and knowledge of corporate governance issues at Board level with a company of comparable size or international spread of activities;
- F. Experience with financial administration, accounting policies, internal control and risk management of companies.

Desired Personal Attributes

- a. The proposed candidate should not have present or potential conflict of interest while serving on Board of LT Foods Limited. Non-Executive Independent Director should qualify as Independent, if the incumbent meets the Independence criteria as laid down in the Companies Act, 2013 and the SEBI Listing Regulations, 2015.
- b. Each Board member should have sufficient time available for the proper performance of his or her duties. Directors should be sufficiently free of other commitments to be able to devote the time needed to prepare for meetings and participate in induction, training, evaluation and other Board associated activities.
- c. Preferably, the Non-Executive Independent Director to be considered for appointment shall be below the age of 75 years. If the Independent Directors attains the age of 75 years, a special resolution to be passed by the members at the General Meeting.
- d. The candidate proposed to be appointed on the Board as an Independent Director shall not be a Director of more than seven Listed Companies at the time of appointment.
- e. The personal characteristics of the person should be in line with the Company's values, such as integrity, honesty, transparency, pioneering mindset etc., commitment to adding value to the Company by personal endeavor and ability / willingness to represent the long term and short term interests of the shareholders and awareness of its responsibilities towards various stakeholders of the Company. The candidate proposed to be appointed on the Board, should not have been convicted of any offence in the past, which may raise a doubt as to the integrity of the person concerned.
- f. The proposed candidate should possess experience at the highest levels of decision making, demonstrable strategic thinking abilities and an ability to take a long term view. Familiarity with national and international issues affecting the Company's businesses, familiarity with economic, political, social and cultural attributes affecting the Company's businesses is desirable.

The Company recognises and embraces the benefits of having a diverse Board, and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. A truly diverse Board will include and make good use of the differences in skills, regional and industry experience, background, race, gender and other distinctions between the Directors. The Board, while considering a candidate for appointment to the Board, shall ensure diversity of experience, knowledge, perspective, background, gender, age and culture. A copy of the Policy on Board Diversity is made available on the website of the Company.

1.8. Code of Conduct

The Company has adopted a Code of Conduct for the members of the Board and members of the Senior Management of the Company. The Code requires members of the Board to avoid any conflict of interest in contracts entered into by the Company. If such interest exists, the members shall make disclosure to the Board and shall abstain from discussion, voting or otherwise influencing decision on any matter in which the concerned Director has or may have such interest. The Code also restricts the Directors from accepting any gifts or incentives in their capacity as Director of the Company. The Independent Directors are required to abide by the Code for Independent Directors, as prescribed in Schedule IV to the Companies Act, 2013 and forming part of the Company's Code of Conduct.

The members of the Board and the Senior Management are required to annually affirm compliance with the Code of Conduct to the Board. The Copy of Code of Conduct of the Company is made available

on the website of the Company.

1.9. Directors and Officers Liability Insurance

The Company shall provide insurance cover in respect of legal action against its Directors under the Directors' and Officers' Liability Insurance. Any person who becomes a Director or Officer, including an employee who is acting in managerial or supervisory capacity, shall be covered under Directors' and Officers' Liability Insurance policy.

2. Board Committees

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities which concern the Company and need a closer review. The Committees are set up under the formal approval of the Board, to carry out clearly defined roles which are considered to be performed by members of the Board as a part of governance practice. While deciding the Chairpersonship and Membership of the Committee, the Board shall ensure that undue reliance is not placed on particular individuals. The Board shall supervise the execution of its responsibilities by the Committees and shall be responsible for action taken by the Committees.

The meetings of the Board Committees shall be attended by the designated members of the Committee. The Committee can, however, request special invitees to join the meeting, as appropriate. The minutes of the meetings of all the Committees shall be placed before the Board for noting. The Board has currently established the following statutory and non-statutory Committees.

A. Audit Committee

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal control and financial reporting process and is governed as per the provisions of the Act and SEBI Listing Regulations 2015. The Audit Committee, in addition to overseeing the financial reporting process shall also carry out periodic reviews of various businesses/functions of the Company, review of internal audit reports of all the major divisions, decide the terms of appointment of the auditors, review related party transactions and review functioning and cases reported under the Whistle Blower Policy of the Company.

The Audit Committee shall consist of at least three directors as members and at least 2/3rd of the members shall be Independent Directors. All the members of the Committee shall be financially literate and at least one member shall have accounting or related financial management expertise. The Committee may invite the CEO, CFO, Statutory Auditor, Internal Auditor, other management representatives or external consultants to attend the Committee meetings as they may deem appropriate. The Chairperson of the Committee shall be an Independent Director and the Company Secretary shall act as the Secretary to the Committee. The Chairperson of the Audit Committee or a member authorized by him/her shall attend the Annual General Meetings of the Company and be available to answer any questions referred to him/her.

THE TERMS OF REFERENCE OF THE AUDIT COMMITTEE ARE AS FOLLOWS:

- I. Oversight of Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

- II. Recommendation for appointment, remuneration and terms of appointment of auditors of Company;
- III. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- IV. Reviewing, with the management, the annual financial statements and auditors' 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 Act.
 - 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; and
 - g) Modified opinion(s) in the draft audit report.
- V. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- VI. 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- VII. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- VIII. Approval or any subsequent modification of transactions of the Company with related parties;
- IX. Scrutiny of inter-corporate loans and investments;
- X. Valuation of undertakings or assets of the Company, wherever it is necessary;
- XI. Evaluation of internal financial controls and risk management systems;
- XII. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- XIII. 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;
- XIV. Discussion with internal auditors of any significant findings and follow up thereon;
- XV. 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;
- XVI. 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;
- XVII. To look into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- XVIII. To review the functioning of the whistle blower mechanism;
- XIX. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- XX. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- XXI. 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.
- XXII. Consider and comment on rationale, cost-benefits and impact of Schemes involving merger, demerger, amalgamation etc. on the Company and its shareholders.

XXIII. Shall review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

XXIV. mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- 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;
- The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and
- Statement of deviations:

(i) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to the stock exchanges in terms of sub-Regulation (1) of Regulation 32 of the SEBI Listing Regulations; and

(ii) Annual statement of funds utilized for purposes other than those stated in the offer Document/prospectus/notice in terms of sub-Regulation (7) of Regulation 32 of SEBI Listing Regulations.

The Committee shall periodically review and assess the adequacy of its Terms of Reference, and confirm that all the responsibilities set out in Terms of Reference have been carried out.

MEETINGS OF THE AUDIT COMMITTEE

1. The Committee meets at least four times in a financial year and the Committee has an authority to convene additional meetings, as may be required and not more than 120 days gap should be there between two consecutive meetings;
2. Meetings are convened by written notice or through electronic means served on each of the members of the Committee at least seven days prior to the meeting;
3. Meeting may be called at shorter notice, if at-least one Independent Director is present at the meeting;
4. All members of the Committee are expected to attend each meeting;
5. The quorum for the meeting shall be as per the provisions of the SEBI Listing Regulations 2015;
6. Meetings of the Committee may be attended by the Chief Executive Officer, Chief Financial Officer, Group Controller, the lead partner of the Statutory Auditors, and other Directors and executives as per the invitation of the Committee;
7. The Committee shall meet the Statutory Auditors in private session at least once a year;
8. All or any members of the Committee may participate in a meeting by video / teleconference. A person so participating is deemed to be present at the meeting;
9. A person attending through video conference shall be counted in the quorum for the meeting;
10. Formal decisions are made by a simple majority vote, with the Chairman of the meeting holding a casting vote;
11. The Secretary shall be responsible, in conjunction with the Chairman of the Committee, for compiling and circulating the agenda and papers for the meeting.

B. Nomination and Remuneration Committee

The Nomination and Remuneration Committee is governed as per the provisions of the Act and SEBI Listing Regulations 2015 and deals with identifying the candidates for nomination as Directors on the Board and for also recommending all elements of remuneration package of all the Directors.

The Nomination and Remuneration Committee shall comprise of at least three members with atleast 2/3rd of the members shall be Independent Directors. All the members of the Nomination and Remuneration Committee shall be Non-Executive Directors and the Chairperson of the Committee shall be an Independent Director. The Company Secretary shall act as the Secretary to the Committee. The Chairperson of the Nomination and Remuneration Committee shall attend the Annual General Meetings of the Company and be available to answer any questions referred to him/ her.

THE TERMS OF REFERENCE OF THE NOMINATION AND REMUNERATION COMMITTEE ARE AS FOLLOWS:

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;
 - A. 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:
 - 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.
3. formulation of criteria for evaluation of performance of independent directors and the board of directors;
4. devising a policy on diversity of board of directors;
5. 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.
6. 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.
7. recommend to the board, all remuneration, in whatever form, payable to senior management.
8. Any other matter as may be prescribed.

The Committee shall periodically review and assess the adequacy of its Terms of Reference, and confirm that all the responsibilities set out in Terms of Reference have been carried out.

MEETINGS OF THE NOMINATION & REMUNERATION COMMITTEE:

1. The Committee meets at least once in a financial year and has an authority to convene additional meetings, as may be required;
2. Meetings are convened by written notice on each of the members of the Committee atleast seven days prior to the meeting;
3. All members of the Committee are expected to attend each meeting;
4. The quorum for the meeting shall be Committee as per the provisions of the SEBI Listing Regulations 2015;
5. All or any members of the Committee may participate in a meeting by video/ teleconference. A person so participating is deemed to be present at the meeting;
6. A person attending through video conference shall be counted in quorum for the meeting;
7. The Committee may invite members of the Management, consultants or other external experts, if required;

8. Formal decisions are made by a simple majority vote, with the Chairman of the meeting holding a casting vote; and
9. The Secretary to the Committee shall be responsible, in conjunction with the Chairman of the Committee, for compiling and circulating the agenda and papers for the meeting.

C. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee is governed as per the provisions of the Act and SEBI Listing Regulations 2015 and has been entrusted with the responsibility to consider and resolve key Stakeholders' concerns or complaints. The Key Stakeholders includes investors, customers, Employees, Bankers, government and regulators, Society at large etc. The Committee shall monitor and review the investor service standards of the Company. The Committee shall also evaluate performance and service standards of the Registrar and Share Transfer Agent of the Company and provide continuous guidance to improve the service levels for investors.

The Committee shall comprise of at least three members including atleast one Independent Director. The Chairperson of the Committee shall be a Non- executive Director. The Company Secretary shall act as the Secretary to the Committee. The Chairperson of the Committee shall attend the Annual General Meetings of the Company and be available to answer any questions referred to him/ her.

THE TERM OF REFERENCE OF THE COMMITTEE ARE AS FOLLOWS:

1. 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.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. 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.
4. 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. Provide guidance and make recommendations to improve investor service levels for the investors.
6. Shall work on the key areas of interest for the key Stakeholders and review the Mode of Engagement and Activities thereof.
6. Any other matter as may be prescribed.

The Committee shall periodically review and assess the adequacy of its Terms of Reference, and confirm that all the responsibilities set out in Terms of Reference have been carried out;

MEETINGS OF THE COMMITTEE:

1. The Committee meets at least once in a year and has an authority to convene additional meetings, as may be required;
2. Meetings are convened by written notice served on each of the members of the Committee prior to the meeting;
3. All members of the Committee are expected to attend each meeting;
4. The quorum for the meeting shall be as per the provisions of the SEBI Listing Regulations 2015.
5. All or any members of the Committee may participate in a meeting by video / teleconference. A person so participating is deemed to be present at the meeting;
6. A person attending through video conference shall be counted in quorum for the meeting;

7. Formal decisions are made by a simple majority vote, with the Chairman of the meeting holding a casting vote; and
8. The Secretary to the Committee shall be responsible for compiling and circulating the agenda and papers for the meeting and for preparing the minutes of the meetings.

D. Corporate Social Responsibility and Environment Social and Governance (CSR & ESG) Committee

The CSR & ESG Committee is governed as per the provisions of the Act and shall comprise of at least three members including atleast one Independent Director. The Chairperson of the Committee shall be a Non-Executive Director. The Company Secretary shall act as the Secretary to the Committee. The Chairperson of the Committee shall attend the Annual General Meetings of the Company and be available to answer any questions referred to him/ her.

THE TERMS OF REFERENCE OF THE COMMITTEE ARE AS FOLLOWS:

1. Formulating and recommending to the Board the CSR Policy and activities to be undertaken by the Company;
2. Recommending the amount of expenditure to be incurred on CSR activities of the Company;
3. Reviewing the performance of the Company in area of CSR;
4. Providing external and independent oversight and guidance on the environmental and social impact of how the Company conducts its business;
5. Monitoring CSR Policy of the Company from time to time; and
6. Institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.
7. Overseeing the ESG Strategy, goals and roadmap for the company
8. Oversight on ESG Ratings and Disclosures
9. Any other matter as may be prescribed.

The Committee shall periodically review and assess the adequacy of its Terms of Reference, and confirm that all the responsibilities set out in Terms of Reference have been carried.

MEETINGS OF THE COMMITTEE:

1. The Committee meets at least once in a year and has an authority to convene additional meetings, as may be required;
2. Meetings are convened by written notice served on each of the members of the Committee prior to the meeting;
3. All members of the Committee are expected to attend each meeting;
4. The quorum for the meeting shall be as per the provisions of the SEBI Listing Regulations 2015.
5. All or any members of the Committee may participate in a meeting by video / teleconference. A person so participating is deemed to be present at the meeting;
6. A person attending through video conference shall be counted in quorum for the meeting;
7. The Committee may invite consultants and other external experts, if required;
8. Formal decisions are made by a simple majority vote, with the Chairman of the meeting holding a casting vote; and
9. The Secretary to the Committee shall be responsible for compiling and circulating the agenda and papers for the meeting and for preparing the minutes of the meetings.

E. Risk Management Committee

The Risk Management Committee is constituted as per the provisions of the SEBI Listing Regulations 2015 and shall be responsible for framing, monitoring, reviewing the risk management plan and implementation of the risk management framework of the Company including 'Cyber Security'.

The Committee shall comprise at least three members with a majority of them being the members of the Board of Directors including atleast one Independent Director. The Chairperson of the Committee shall be a member of the Board of Directors. The Company Secretary acts as the Secretary to the Committee

THE TERMS OF REFERENCE OF THE COMMITTEE ARE AS UNDER:

1. To formulate a detailed risk management policy which shall include:
 - (a) A framework for identification of internal and external risks specifically faced by the company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
 - (c) Business continuity plan.
- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

MEETINGS OF THE COMMITTEE:

1. The Committee reviews the Risk Management plans at least twice in a year and has an authority to convene additional meetings, as may be required;
2. Meetings shall be conducted in such a way that not more than 180 days gap be there between two consecutive meetings.
3. Meetings are convened by written notice or through electronic means served on each of the members of the Committee;
4. The quorum for the meeting shall be as per the provisions of the SEBI Listing Regulations 2015;
5. All members of the Committee are expected to attend each meeting;
6. Meetings of the Committee may be attended by other executives as per the invitation of the Committee;
7. All or any members of the Committee may participate in a meeting by video / teleconference. A person so participating is deemed to be present at the meeting.
8. A person attending through video conference shall be counted in quorum for the meeting;
9. Formal decisions are made by a simple majority vote, with the Chairman of the meeting holding a casting vote; and
10. The Secretary shall be responsible, in conjunction with the Chairman of the Committee, for compiling and circulating the agenda and papers for the meeting.

F. Governance Committee

The Governance Committee has been formed exclusively to look into the Governance related matters of the Company and to initiate and adopt such policies in order to have a good corporate governance practice in the business. The Governance Committee shall perform all duties as requested or required by the Board of Directors.

The Governance Committee will specifically be responsible for the following duties and responsibilities:

1. Advise the Board about operational strategies including relevant amendments to the organization's by laws to strengthen the organization and empower the Board in meeting its obligations related to good governance principles and abide by the organization's mission.
2. Advise the Board about strategies that strive to increase individual Board Director effectiveness and their abilities to work collaboratively with their peers.
3. Devise and make recommendations for policies that reflect best practices for overall good governance.
4. Develop a conflict of interest policy and recommend it to the Board.
5. Lead and facilitate periodic board self-assessments to ensure superior board performance and overall trust in effectiveness.
6. Evaluate the Board's current composition and identify the current and future needs of the organization to ensure that the Board has the necessary diversity, perspectives, experience, skills, maturity and judgment to effectively pursue their duties in planning and oversight.
7. Review the Board's individual Directors at the end of each of their board terms as part of the re-election process to ensure that they continue to have the appropriate skills and engagement level to continue serving on the Board.
8. Make recommendations to the Board about the criteria and qualifications that they deem appropriate for election as Board Directors.
9. Develop and conduct an orientation process for newly appointed Board Directors and provide ongoing board training and development.

G. Management Committee

The Management Committee has been set up to oversee routine items that are in the normal course of the business, such as decision on banking facilities, delegation of operational powers, considering and approving agreements to be executed in the normal course of business, etc.

THE TERMS OF REFERENCE OF THE COMMITTEE ARE AS FOLLOWS:

1. Availment of Credit Facilities from the Bank not exceeding Rs 450 Crores in aggregate.
2. Investment of Surplus Fund of the Company upto an amount of Rs 10 Crores in aggregate in Mutual Fund and Fixed Deposits with Banks
3. Sell /Buy Vehicles.
4. Authorization to Deal with Statutory i.e. SEBI BSE NSE ROC CDSL NSDL Income tax, Sales Tax and Other Statutory Agencies
5. Opening / Closing of Bank Accounts and Signatories for Operation of Bank Accounts.
6. Applications for Necessary Renewals PF / Licenses / Registrations / Permits/ Consents Required to Carry on the Business of the Company.
7. Execution of Agreements with Agencies/ Suppliers / Vendors in Normal Course of Business with Suppliers Vendors, Buyers

8. Filing Suits, Complaints Caveats, Petitions, etc to Protect the Interest of the Company.
9. Convening General Meeting of the Company.
10. Giving Loans to Wholly Owned Subsidiary Companies to the extent to Rs. 10.00 Crores if desired for Normal Course of Business
11. Giving Corporate Guarantees to Banks, Financial Institutions Companies Etc. for and on Behalf of Its Wholly- Owned Subsidiary and Subsidiary Companies / Associates
12. Other Matters in the Normal Course of Business.

H. Capital Raising Committee

The Committee has been entrusted with the power to explore various fund-raising opportunities available with the Company including but not limited to entering into strategic alliances, joint ventures, scheme of arrangements, issuance of securities on preferential basis, raising of debt etc. in each case in accordance with applicable laws. The Committee shall comprise of Board members as well as senior management personnels.

3.Board Procedures

a. Meetings

The Board shall meet at regular intervals to discuss and decide on Company's business policy and strategy apart from other businesses. The Board shall hold a minimum number of four meetings of its Board of Directors every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. However, in case of a special and urgent business need, the Board's approval can be taken by circulating the resolution, which shall be confirmed by the Board at the next Board meeting. The periodicity of meetings of Board Committees shall be as per terms of reference of each committee.

The notice of the Board meetings shall be given to all the Directors at least seven clear days before the meeting. A meeting of the Board / Committee may be called at a shorter notice than those stated above as per the provisions of the Act and SEBI Listing Regulations 2015. The proposal to hold the meeting at a shorter notice shall be stated in the Notice of the meeting and the fact that consent of the Directors was obtained shall be recorded in the Minutes thereof. Efforts shall be made to have full attendance at the meeting.

Video Conferencing

The Directors, who are unable to be physically present at a particular Board or Committee meeting, may attend the meeting through video conferencing or other audio visual means, as may be prescribed, which are capable of recording and storing the proceedings of such meetings. The Directors attending the meeting through video conference or such other means as may be prescribed will be considered as present for the meeting.

b. Agenda

The agenda of Board meetings shall be set by the Company Secretary in consultation with the Managing Director of the Company. The Company Secretary may also consult the Independent Directors at appropriate occasions. The Agenda shall be circulated at least seven days prior to the date of the meeting to facilitate the Directors to provide their inputs, thoughts and suggestion at the meeting. The

Agenda shall include detailed notes and draft resolutions on the items to be discussed at the meeting to enable Directors to take an informed decision.

The Agenda of each of the Board meeting shall inter-alia include:

- a. regular items, such as reports from Management on the financial affairs of the Company, on performance against plan, reports from Board Committees, reports on governance matters, etc.;
- b. special items, such as Business/ Functional Reviews;
- c. items for approval;
- d. items for noting; and
- e. papers for information.

Any supplementary item, not originally included in the Agenda, may be taken up for consideration at the meeting with the permission of the Chairperson and with the consent of the majority of the Directors present in the Meeting. However, no supplementary item which is of significance or is in the nature of unpublished price sensitive information should be taken up by the Board without prior written Notice. Apart from the items that will be discussed in the Board Meeting, the Company Secretary shall ensure that regular communications are sent to all Non-Executive Independent Directors for updating them on key business related issues / developments.

c. Decision Making Process

Each member of the Board shall have one vote and the resolutions of the Board shall be passed by a majority of votes. In case of equal number of votes in favor of the resolution as well as against, the Chairperson of the Company may exercise his casting vote.

d. Managing Conflict of Interests

The Board of Directors are responsible for ensuring that the rules are in place to avoid conflicts of interest by the Board members and the Management Committee. Any conflict of interest or apparent conflict of interest between the Company and its Directors should be avoided. Where conflicts arise, the Board shall ensure that, in dealing with them, all applicable laws, regulations, codes and policies have been complied with.

The members of the Board shall avoid any interest in contracts entered into by the Company. If such an interest exists, the interested Director shall make a disclosure. In case of Conflict of Interest, the interested Director shall not participate in the decision making process and the same shall be recorded in the minutes of the meeting. In case of Conflict of Interest of Chairperson, the Chairperson shall abstain from participation in the discussion and one of the Independent Directors shall assume the position of Chairperson of the meeting.

The members of the Board shall on an annual basis submit the details of individuals to whom they are related and entities in which they hold interest and the same shall be placed before the Board. Transactions with any of the entities referred above shall be placed before the Board or Audit Committee for approval in line with Related Party Transaction policy of the Company.

e. Board Support

The Company Secretary is responsible for collation, review and distribution of all papers submitted to the Board for consideration. The Company Secretary is also responsible for the preparation of the agenda and convening of the meetings of the Board and Committees thereof. The Company Secretary shall attend all the meetings of Board and Committees thereof and advice/assure the Board and such Committees on Compliance and Governance principles and ensure appropriate recording of minutes of the meeting.

f. Recording of Minutes

The Company Secretary of the Company is responsible for proper recording of minutes. Minutes of the Board and Committee meeting shall be circulated to the Board not later than fifteen days of the meeting and the same shall be placed before the Board and Committee at its next meeting, for confirmation. The Board and Committee members can give their comments / suggestions on draft minutes within seven days of circulation and the same shall be incorporated in the minutes of the meeting.

The minutes of meetings of the Board or Board Committees shall be circulated to the Board or Board Committees, respectively, along with the Agenda of the next meeting. Any alteration in the minutes shall be made only after obtaining express approval in the subsequent meeting in which such minutes are sought to be altered. Dissent or concern, if any, as expressed by any member of the Board, shall be recorded in the minutes.

g. Delegation of Powers

The Board has delegated certain powers, authorities and discretions (including the power to sub-delegate) to the Board's Committees. The Board supervises the execution of its responsibilities by the Board Committees and is ultimately responsible for the fulfillment of the duties by them.

4. Board Directors

a. Term of Office of Directors

The Executive Directors serve in accordance with the provisions of the Companies Act, 2013. The Managing Director of the Company is appointed for a term of five years as per the requirement of the Act.

Independent Directors shall hold office for a term of up to five consecutive years on the Board of the Company. On conclusion of first term of 5 years, if the Board considers it appropriate they can propose the re-appointment of an Independent Director for another period of five years after taking approval of shareholders of the Company by way of a special resolution. Such proposal for reappointment shall be based on performance of the Independent Director and recommendation of the Nomination and Remuneration Committee and appropriate disclosure shall be made in the Board's Report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after the expiration of three years of ceasing to become an independent director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

In accordance with the Articles of Association of the Company, except the Managing Director and in accordance with the Act except the Independent Directors, all Directors step down at the Annual General Meeting each year and, if eligible, offer themselves for re-election.

b. Remuneration

The remuneration payable to Directors shall be comparable and justifiable, considering the size of the Company, volume of work involved, consistent requirement of management expertise and keeping in view the qualification and experience of the Directors. The Remuneration shall be in compliance with the provisions of the Companies Act, 2013 and as recommended and approved by the Board and its allied Committees.

i. Executive Directors

The remuneration of the Executive Directors shall be determined by the Nomination and Remuneration Committee and shall be recommended to the Board for their approval. In order to create alignment with the strategy and business priorities to enhance shareholder value, a fair portion of the Executive Directors' total reward is linked to Company's performance.

ii. Non-Executive Directors

Non-Executive Independent Directors are eligible for sitting fees not exceeding limits prescribed under the Companies Act. The remuneration payable to Non-Executive Directors is decided by the Board of Directors. In the event, the annual remuneration payable to a single Non-Executive Director exceeds fifty percent of the total annual remuneration payable to all Non-executive Directors, approval of Shareholders by passing Special Resolution shall be obtained every year.

The Independent Directors are paid sitting fees for attending every meeting of the Board or Committees thereof, in accordance with the Remuneration Policy and within the limits approved by the shareholders at the Annual General Meeting of the Company. The Non-Executive Director shall not be entitled to Stock Option Plan of the Company.

c. Access to Independent Professional Advice

Directors are entitled to take independent professional advice, at the expense of the Company, on matters relating to the proper discharge of their office. This does not extend to issues regarding Directors' personal interests. The Company Secretary is responsible for arranging such external advice.

5. Board Chairperson

a. Appointment

Subject to Articles of Association of the Company and applicable Laws and Regulations, the Board of Directors shall, after considering the recommendation of the Nomination and Remuneration Committee, appoint any Director as the Chairperson of the Company.

b. Responsibilities

The Chairperson's general and specific responsibilities cover:

- a. conducting shareholders' meetings including AGMs;
- b. leading the Board and ensuring that it operates effectively in relation to all aspects of its role;
- c. ensuring that the members of the Board receive accurate, timely and clear information, in particular about the Company's performance, to enable the Board to take sound decisions, monitor effectively and provide advice to promote the success of the Company;
- d. encouraging active engagement by all the members of the Board;
- e. to take full account of the issues and the concerns of all Directors and ensuring that adequate time is available for discussion on strategic issues;
- f. promoting effective relationships and open communication, both inside and outside the board room, between Non-Executive Directors and the Executive Directors;
- g. building an effective and complementary Board, initiating change and planning succession in Board appointments, subject to Board and shareholders' approval;
- h. monitoring effective implementation of Board decisions;
- i. ensuring clear structure for and the effective running of Board Committees;
- j. in conjunction with the Lead Independent Director, ensuring that the performance of individuals and of the Board as a whole and its committees is evaluated at least once a year;
- k. in conjunction with Lead Independent Director, identifying and meeting the development needs of individual Directors and agreeing and regularly reviewing a personalised approach to training and development with each Director;
- l. addressing the development needs of the Board as a whole with a view to enhancing its overall effectiveness as a team;
- m. acting where appropriate as the Company's representative on corporate aims and policies including environmental and corporate social responsibility matters;
- n. guarding the corporate reputation and relations with relevant stakeholders;

6. Managing Director

a. Appointment and Tenure

The Managing Director (MD) of the Company is appointed by the Board after considering the eligibility criteria and qualification of the candidates. The MD is appointed for a period of five years and is eligible for reappointment, subject to approval of shareholders. The MD is responsible for day to day management of the Company and enjoys substantial powers of Management to discharge the responsibilities in managing the affairs of the Company on a day to day basis including power to sub delegate any of the powers in relation to the running of the Company. For the sake of brevity, these powers are not being reproduced again. Please refer to the Board Role and Powers.

b. Responsibilities

The Managing Director is entrusted with all the Board's powers, authorities and discretions (including the power to sub-delegate any of those powers, authorities, decision- making powers and discretions) in relation to the operational running of the Company and specifically all the Board's powers, authorities and discretions in relation to the following matters:

i. Strategy and Maintaining the Corporate Portfolio

1. proposing for approval by the Board, the strategies for shaping of the portfolio and direction of the Company, Corporate Financial Plan and priorities in corporate resource allocation;
2. ensuring that business plans and strategies are aligned with corporate objectives and priorities agreed with the Board;
3. agreeing geographical markets, products and places of operation of business of the Company with the Board of the Company;
4. monitoring the development of the markets in which the Company operates, testing future economic scenarios against growth objectives and making proposals to the Board for the corporate strategic priorities;
5. ensuring delivery of the Company's agreed strategy, business plans and financial performance;
6. preparing for approval by the Board periodic business performance report including quarterly and annual results;

ii. Financial

1. setting financial and treasury strategies for the Company and implementing them;
2. overseeing efficient functioning of the operating framework, the accounting and reporting policies, planning and reporting processes (including internal control measures and authority levels) and implementing and maintaining such framework, policies and processes;

iii. Governance

1. appointing and removing functional heads who report, directly or indirectly, to the Managing Director, subject to obtaining necessary approvals of the Committees, the Board and / or Shareholders of the Company, as may be applicable;
2. proposing to the Nomination and Remuneration Committee the remuneration policy and the specific remuneration, bonuses and other terms of employment of members of the Senior Management Personnel and other Functional Heads, who report directly to the Managing Director;
3. ensuring that the performance of Functional / Business Heads is systematically assessed and adequately rewarded;
4. ensuring a continual supply of leadership of the quality necessary to meet the strategic needs of the Business;
5. Establishing value leadership and expected norms of conduct, including implementation of and compliance with the Code of Conduct;
6. to provide, in conjunction with the Company Secretary, a properly constructed induction to new Directors;
7. preparing for approval by the Board, and implementing and managing, LT Foods' risk management approach;
8. implementing and managing compliance with Company's Code Policies and standards;
9. notify the Board of any issues, projects or transactions that in his judgment have the capacity to impact the reputation of the Company;

iv. Communication with Stakeholders

1. interacting with the media and approving any press release in relation to any matter within the ambit of the Managing director;
2. preparing all public filings, reports and statements relating to the Business and representing the Company with in trade and professional bodies.

v. Contracts

1. power to enter into commitments, agreements, contracts, instruments or other documents on behalf of the Company in relating to day to day functioning of the business.

7. Independent Directors

a. Definition of Independent Director

The Board shall comprise Directors who qualify as “Independent” as per the statutory provisions applicable to the Company. The criteria chosen by the Board for Independent Director are as follows:

- a. is a person of integrity and possess relevant expertise and experience as may be deemed necessary by the Nomination and Remuneration Committee;
- b. is or was not a promoter / promoter group of the Company or holding, subsidiary or associate company;
- c. is or was not related to promoters or Directors in the Company or holding, subsidiary or associate company;
- d. does not have or did not have any pecuniary relationship with the company or holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- e. none of the relatives has or had pecuniary relationship or transaction with the company or holding, subsidiary or associate company, or their promoters, or Directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- f. who, neither himself nor any of his relatives, holds or has held the position of a key managerial personnel or is or has been employee of the company or holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
- g. who, neither himself nor any of his relatives, has or had no relationships within the last three years with statutory auditor, secretarial auditor, cost accountant, legal or consulting firm that has had transaction with the Company or its holding, subsidiary or associate company;
- h. who, neither himself nor any of his relatives, holds two per cent or more of the total voting power of the company;
- i. has or had no material business relationship with customers or suppliers of the company; during last three years;
- j. who possesses such other qualifications as deemed necessary by the Nomination and Remuneration Committee, in line with the criteria for appointment to the Board;
- k. who is not a non-independent director of another company on the board of which any non-independent director of the listed entity is an independent director.

The Board will decide on the independence of a Non-Executive Director by applying these criteria to the particular circumstances of the individual concerned. Where there are additional criteria for a member to be considered independent imposed by applicable laws and regulations, the Board will apply such criteria. Every Independent Director shall at the time of appointment to the Board at the end of every financial year or whenever there is any change in the circumstances which may affect his status as an Independent Director, give a declaration that he meets the criteria of ‘independence’.

b. Tenure

Independent Directors shall hold office for a term of up to five consecutive years on the Board of the Company. On conclusion of first term of 5 years, the Board may propose the re-appointment of an Independent Director for another period of five years for approval of shareholder of the Company by way of Special Resolution. Such proposal for reappointment will be based on performance evaluation of the Independent Director and the recommendation of Nomination and Remuneration Committee. At the time of proposing re-appointment of Independent Directors, appropriate disclosure shall be made in the Board's Report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after the expiration of three years of ceasing to become an independent director. Provided that an independent director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

In case any vacancy is caused by resignation or removal of an Independent Director and the composition of Board is not in compliance with the requirement of statute, such vacancy shall be filled within three months from the date of vacancy of the director.

c. Meetings of Independent Directors

The Independent Directors shall meet without the executive directors presence, once in a financial year. Independent Directors shall amongst themselves elect one of them to lead the agenda of their meeting. The agenda of the meetings shall, inter alia, include following items:

- a. review the performance of Non-Independent Directors and the Board as a whole;
- b. review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- c. assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors may ask members of management and external professional advisers to attend those meetings. The Company Secretary shall assist them with the support they need.

In addition to these formal meetings, regular interaction shall take place between the Chairperson and Independent Directors to discuss such issues as are deemed appropriate.

d. Lead Independent Director

The Board shall appoint one Lead Independent Director who shall be responsible for the following role:

- Provide leadership to the independent directors,
- Preside over all deliberation sessions of Independent Directors
- Liaise between the Chairperson and the Independent Directors
- Liaise on behalf of the independent directors and ensure Board effectiveness to maintain high-quality governance of the organization and the effective functioning of the Board
- Provide objective feedback of the Independent Directors as a group to the Board on various matters, including agenda, quantity/ quality of information and other matters relating to the

Company.

- Perform such other duties as may be delegated by the Board / Independent directors
- Lead the performance evaluation of the Board Chairperson

8. Company Secretary

a. Formal Status

The appointment or removal of the Company Secretary is a matter for the Board as a whole. All Directors have open access to the Company Secretary at any time and on any matter relating to the Company. The Company Secretary reports to the Board and administratively to the Managing Director of the Company.

b. Responsibilities

The Company Secretary is responsible:

- a. to provide to the Directors of the company, collectively and individually, such guidance as they may require, with regard to their duties, responsibilities and powers;
- b. to facilitate the convening of meetings and attend Board, Committee and General Meetings and maintain the minutes of these meetings;
- c. to obtain approvals from the Board, shareholders at the General Meeting, the Government and such other authorities as required under the provisions of the Act;
- d. to represent before various regulators, and other authorities under the Act in connection with discharge of various duties under the Act;
- e. to assist the Board in the conduct of the affairs of the company;
- f. to assist and advise the Board in ensuring good corporate governance and in complying with the corporate governance requirements and best practices; and
- g. to discharge such other duties as have been specified under the Act or rules;
- h. to ensure that the compliance status across the Organisation is monitored and reported to the Board; and
- i. such other duties as may be assigned by the Board from time to time.

9. Directors Induction & Training

a. Background

The provision of an appropriate induction programme for new Directors and ongoing training for existing Directors is a major contributor to the maintenance of high corporate governance standards of the Company. The Management and the Company Secretary are jointly responsible for ensuring that such induction and training programmes are provided to Directors.

The Independent Directors also request management to provide detailed understanding of any specific project, activity or process of LT Foods. The management provides such information and training either at the meeting of Board of Directors or otherwise.

b. Induction

The induction process is designed to:

- a. build an understanding of LT Foods Limited, its businesses and the markets and regulatory

- environment in which it operates;
- b. provide an appreciation of the role and responsibilities of the Director;
 - c. fully equip Directors to perform their role on the Board effectively; and
 - d. develop understanding of Company's people and its key stakeholder relationships.

The Company Secretary shall provide new Directors, both Executive and Non-Executive, with a briefing on their legal and regulatory responsibilities as Directors. This includes provision of a Directors' Induction kit containing general information on Company's Structure, Key Policies of the Company, Brief profile of the Board of Directors, Role and Responsibility of the Directors and necessary disclosure forms.

The induction briefing for Non-Executive Independent Directors includes interactive sessions with Business and Functional heads, Auditors and a visit to market or any plant.

c. Training

The Company Secretary keeps the Board briefed on legal and regulatory development relevant to the Company and the Directors. The Company Secretary ensures that the programme to familiarise the Non-Executive Directors with the business is maintained over time and kept relevant to the needs of the individuals involved and the Board as a whole. Based on the yearly performance evaluation of the Board and individual Directors, the Chairperson shall in consultation with Lead Independent Director agree on the Training and Development needs of the Board as a whole and decide on action plan for each year. The Company Secretary shall be responsible for implementation of such plan and Chairperson shall regularly review the same.

In addition to the extensive induction and training provided as part of the familiarization programme, the Independent Directors are also taken through various business and functional sessions in the Board meetings including the Board meetings to discuss strategy.

10. Board Evaluation

a. Background

It is important that the Board, Board Committees and individual Directors are evaluated on the effectiveness of their performance in a rigorous and structured manner to ensure that their contribution is reflected in the growth of the Company whilst adhering to highest corporate governance standards. The Companies Act, 2013 (the Act) also provides for the evaluation of the Board, its Committees and individual Directors. The Act requires disclosure in the Board's Report of the manner in which a formal annual evaluation has been made by the Board of its own performance and that of its Committee and Individual Directors.

b. The Board

The Chairperson in consultation with a Lead Independent Director nominated by the Independent Directors, shall lead the process of evaluation of the Board as a whole. The Company Secretary shall be responsible for organizing such an evaluation.

c. Board Committees

The Chairman shall lead the process of evaluating the performance of all the Committees. This includes taking the views of the Board on the performance of the Committee, the delivery of performance against the terms of reference of the Committee and thereafter shall report the results of the process to the Board.

d. Independent Directors

The evaluation of Independent Directors shall be done by the entire board of Directors which shall include -

- (a) performance of the Independent Directors; and
- (b) fulfillment of the independence criteria from the management.

e. Non-Executive Directors

For Non-Executive Directors, such evaluation shall be based on criteria viz. the considerations which led to the selection of the Director on the Board and the delivery against the same, contribution made to the Board / Committees, attendance at the Board / Committee Meetings, impact on the performance of the Board / Committees, instances of sharing best and next practices, engaging with top management team of the Company, participation in strategy Board Meetings etc.

f. Executive Directors

The criteria for evaluation of Executive Directors will include the annual performance plan of the concerned Executive Director and delivery against the same, assessment made by the Management in addition to the above criteria laid down for Independent Directors to the extent applicable.

g. Chairperson

The Lead Independent Director shall lead the evaluation process whereby the Board evaluates the performance of the Chairperson. In this process, the Lead Independent Director shall consult the Executive Directors and fellow Non-Executive Directors.

The Lead Independent Director shall share the results of the assessment with the Chairperson. These individual assessments should be taken into account in the evaluation of the performance of the Board as a whole.

h. Process for Evaluation

The Company Secretary shall, in consultation with the Chairperson and Lead Independent Director, lay down the process and provide guidance on how to carry out the evaluation. The Company Secretary shall update this guidance on annual basis in the light of internal experience and external best practice. The Company Secretary may also take help of an independent consultant for review / development of the evaluation process. Following each evaluation, a report shall be prepared based on appropriate interviews and/or responses to questionnaires. The report shall be reviewed and discussed by the Board following its submission to the Board by the Chairperson. Thereafter, the Chairperson, with the support from the Company Secretary shall implement the actions that the Board decides as appropriate.

11. Auditors

a. Internal Auditor

In order to ensure the independence and credibility of the internal audit process, the Board shall appoint an internal auditor who will be supported by a team of independent auditors and shall be responsible for internal audit of the functions and activities of the company. The internal auditor shall, in consultation with Audit Committee, formulate the scope, functioning, periodicity and methodology for conducting the internal audit. The Internal Auditor reports to the Audit Committee and is administratively reporting to the Chief Financial Officer. The Appointment and Remuneration of Internal Auditor will be subject to approval of Audit Committee.

b. Statutory Auditors

The Statutory Auditor shall be appointed by shareholders at the Annual General Meeting, based on the recommendation of the Board of Directors. The Audit Committee shall be the first point of reference for appointment of auditors and shall evaluate the performance of the Statutory Auditor and recommend to the Board their appointment, re-appointment along with the annual audit remuneration or removal.

The Auditor shall, on an annual basis, submit a certification of independence and arm's length relationship with the company to the Board.

The Audit Committee will review and monitor Auditor's independence, objectivity and effectiveness of the audit process. The Audit Committee will discuss the annual work programme and the depth and detailing of the audit plan to be undertaken by the auditors.

All Directors, and in particular the Chairperson and members of the Audit Committee, have open access to the Statutory and Internal Auditor of the Company at any time and vice versa. The Statutory Auditors have open access to the Internal Auditor at any time and vice versa.

In order to maintain independence of Auditors, the Company shall rotate the audit partner responsible for audit of the Company, every five year and the Audit firm shall be rotated every ten years. A coolingoff period of five years must have elapsed before an audit partner or audit firm can be re-appointed by the Company.

c. Secretarial Auditor

The Board shall also appoint Independent Secretarial Auditors to conduct secretarial audit on an annual basis and submit the report to the Board.

12. Relation with Shareholders

The Company recognises the importance of continuous communication with the shareholders of the Company and is committed to implementing effective and innovative ways of conveying effective information to our shareholders. The Company shall provide to shareholders access to balanced and understandable information about the Company.

a. Rights of Shareholders

The Shareholders of the Company shall have following rights:

- a. to participate in, and to be sufficiently informed on, decisions concerning fundamental corporate changes;
- b. opportunity to participate effectively and vote in general shareholder meetings;
- c. to be informed of the rules, including voting procedures that govern general shareholder meetings;
- d. opportunity to ask questions to the board, to place items on the agenda of general meetings, and to propose resolutions, in accordance with the provisions of the Companies Act, 2013;
- e. participation in key decisions, such as the nomination and election of board members;
- f. sufficient and timely information concerning the date, location and agenda of general meetings, as well as full and timely information regarding the issues to be discussed at the meeting;
- g. sufficient and timely information on capital structures and arrangements that enable certain shareholders to obtain a degree of control disproportionate to their shareholding;
- h. exercise of ownership rights by all shareholders, including institutional investors;
- i. adequate mechanism to address the grievances of shareholders;
- j. protection of minority shareholders from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly, and effective means of redress.

b. Contact with the Directors

Shareholders may contact an Individual Director, the Board as a group, or a specified Board Committee, including the Independent Director, by sending communication to the Company Secretary at the registered office. The Corporate Secretarial Department will receive and process communications before forwarding them to the addressee. A communication concerning a process related or general query will be answered by the Corporate Secretarial Department. Communication concerning serious issues will be escalated to the Chairperson of the Stakeholders' Relationship Committee, through the Company Secretary of the Company. Each Director is encouraged to attend the Company's annual meeting of shareholders to address shareholder's concerns, if any.

The Corporate Secretarial Department shall be first point contact for the shareholders and shall be responsible for ensuring the highest standard of service levels to the Shareholders / Investors. The Company shall periodically conduct investor satisfaction survey and benchmark the service standards for continuous improvement.

c. Methods of Communication

The Company shall regularly communicate relevant information to shareholders through a range of forums, publications and online. These shall include:

- a. the General Meeting
- b. transcripts of Minutes of General Meetings and Speeches
- c. the Annual Report
- d. investor presentations
- e. disclosures to the Stock Exchanges
- f. the Company website

In addition to the formal interactions with the shareholders in the General Meeting the Company Secretary

and the Corporate Secretarial Department shall hold such interactive meetings with the shareholders as may be required to address concerns of shareholders, if any. Company shall maintain an Investor Relations section on its website to assist with shareholder communication.

d. Grievance / Dispute Resolution

The Company has put in place the process of resolving shareholders disputes and grievances through an alternative disputes redressal mechanism. The Company has appointed one Independent Director, to act as Ombudsman. The Ombudsman independently reviews the merits of the complaint and decides on the issue.

In case of any shareholder's / investor's grievance arising out of the shares, dividends or any other related matter, the first point of contact shall be the Corporate Secretarial Department of the Company. The Corporate Secretarial team shall attempt to resolve any such grievance mutually in a speedy manner. In case the shareholder is not satisfied with the resolution provided by the Corporate Secretarial Department, the matter may be referred to the Stakeholders' Relationship Committee of the Company.

In the event the matter is not resolved as stated above at the level of Stakeholders' Relationship Committee or the shareholder is not satisfied with the resolution provided by the Committee, the said grievance can be referred to the Company's Ombudsman, as nominated by the Company for each region, for resolution. The decision of the Ombudsman shall be final and binding on the Company.
