



WHITE ORGANIC RETAIL LIMITED

CIN: L01100MH2011PLC225123

Website: <http://whiteorganics.co.in>

**TERMS OF REFERENCE OF COMMITTEES OF
BOARD OF DIRECTORS**

INDEX

Sr. No.	Particulars	Page No.
1.	Terms of Reference of Audit Committee	2
2.	Terms of Reference of Nomination and Remuneration Committee	5
3.	Terms of Reference of Stakeholders Relationship Committee	6

TERMS OF REFERENCE

AUDIT COMMITTEE

a) As prescribed by the Companies Act, 2013

- (i) The recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- (ii) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- (iii) Examination of the financial statement and the auditors' report thereon;
- (iv) Approval of all related party transactions or any subsequent modification of transactions of the company with related parties;
- (v) making omnibus approval for related party transactions subject to the conditions prescribed in Rule 6A of The Companies (Meetings of Board and its Powers) Rules, 2014;
- (vi) Making Recommendations to the Board of Directors for transactions, other than transactions referred to in section 188, and where Audit Committee does not approve the transaction;
- (vii) Scrutiny of inter-corporate loans and investments;
- (viii) Valuation of undertakings or assets of the company, wherever it is necessary;
- (ix) Evaluation of internal financial controls and risk management systems;
- (x) Monitoring the end use of funds raised through public offers and related matters;
- (xi) To oversee the establishment of vigil mechanism for directors and employees and report genuine concerns to the Board of Directors.

b) As prescribed under Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

- (i) 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;
- (ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the 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 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
- (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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (vii) Review and monitor 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 there on;
- (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 the 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 (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) 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) Approval to all related party transactions as per Regulation 23;
- (xxii) reviewing the utilization of loans and/ or advances from/investment by the holding company in the Company 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 effective date of Listing Amendment Regulations, 2018;
- (xxiii) Reviewing the Management discussion and analysis of financial condition and results of operations;
- (xxiv) Reviewing the statement of significant related party transactions (as defined by the audit committee), submitted by management;
- (xxv) Reviewing the management letters / letters of internal control weaknesses issued by the statutory auditors;
- (xxvi) Reviewing the internal audit reports relating to internal control weaknesses;
- (xxvii) Reviewing the appointment, removal and terms of remuneration of the chief internal auditor.

(xxviii) Reviewing the 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) and 32(5);
- b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

NOMINATION AND REMUNERATION COMMITTEE

a) As prescribed by the Companies Act, 2013

- (i) To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down
- (ii) To recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
- (iii) To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- (iv) The Nomination and Remuneration Committee shall, while formulating the policy under subsection (3) ensure that—
 - (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (c) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

b) As prescribed by Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

- (i) 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;
- (ii) Formulation of criteria for evaluation of Independent Directors and the Board of Directors;
- (iii) Devising a policy on Board diversity;
- (iv) 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.
- (v) 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.
- (vi) recommend to the board, all remuneration, in whatever form, payable to senior management.

STAKEHOLDERS RELATIONSHIP COMMITTEE

a) As prescribed by the Companies Act, 2013

To consider and resolve the grievances of security holders of the company.

b) As prescribed by Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

- (i) Resolving the grievances of the security holders of the Company 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 Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (iv) Review of various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
