

ROLES & RESPONSIBILITIES OF THE BOARD COMMITTEES

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The role of CSR Committee is as under:

- Formulating and recommending to the Board, CSR Policy and the activities to be undertaken by the Company.
- Recommending amount of expenditure to be incurred on activities undertaken.
- To constitute Management Committee for implementation and execution of CSR initiatives/ activities.
- Reviewing performance of the Company in the areas of CSR.
- Monitoring CSR Policy from time to time.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The 'Stakeholders Relationship Committee' approves and monitors transfers and transmission of shares and replacement, split and consolidation of share certificates. The Committee also monitors redressal of complaints received from the shareholders relating to transfers/transmission of shares, non-receipt of annual reports and transfer of credit of shares to demat accounts, dividend and other investor-related matters. The Stakeholders Relationship Committee Meetings are held once in a fortnight to consider matters placed before it.

The Stakeholders Relationship Committee monitors compliance of the provisions of 'Blue Dart Code of Conduct for Prevention of Insider Trading' and 'Code for Corporate Disclosure Practices'.

AUDIT COMMITTEE

The Audit Committee of the Board deals with all matters relating to financial reporting, internal controls, risk management etc. and reports to the Board from time to time. The Board of Directors of the Company constituted an Audit Committee at its Board Meeting held on May 8, 2001.

The powers, role and terms of reference of the Audit Committee are in accordance with the provisions of Clause 49 of the Listing Agreement entered into with the Stock Exchanges and Section 177 of the Companies Act, 2013.

Pursuant to the provisions of Section 177 of the Companies Act, 2013 which is notified and effective from April 1, 2014, the Board of Directors of the Company in its meeting held on May 9, 2014 enhanced terms of reference and scope of the Audit Committee to align with the new requirements of the Companies Act, 2013 and amended norms of Listing Agreement.

The terms of reference of the Audit Committee, inter-alia includes the following:-

- Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of Statutory Auditors of the Company;
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
- Reviewing with the management, the annual financial statements and auditor's report thereon, before submission to the Board for approval, with particular reference to:
 - Matters required to be incorporated 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.
 - Changes, if any, in the accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by the management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Qualifications in the draft audit report.
- Reviewing with the management, the quarterly financial statements before submission to the Board for approval;
- 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 the purposes other than those stated in the offer document / prospectus / notice and report submitted by the monitoring agency, monitoring utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of the inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing with the management, performance of statutory and internal auditors and adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
- Discussion with the internal auditors on any significant findings and follow up thereon;

- Reviewing the findings of any internal investigations by the internal auditors into matters where there is a suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussions with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussions to ascertain any area of concern;
- 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;
- To review the functioning of Whistle Blower mechanism;
- Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate;
- Carrying out any other function as mentioned in the terms of reference of the Audit Committee.

The Audit Committee of the Company meets and interacts at least twice a year with the Senior Management Personnel which gives the Audit Committee a deeper insight into the workings of major departments and regions.

NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration Committee ensures a transparent nomination process for Directors with the diversity of thought, experience, knowledge, perspective and gender in the Board.

The terms of reference of the 'Nomination & Remuneration Committee' inter-alia includes the following:

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

RISK MANAGEMENT COMMITTEE

The Company has formulated Risk Management Policy which provides an overview of the principles of risk management, explains approach adopted by the Company for risk management, defines the organizational structure for effective risk management, develops a "risk" culture that encourages all employees to identify risks and associated opportunities and to respond to them with effective actions, identify, assess, manage and mitigate existing and new risks in a planned and co-ordinated manner with minimum disruption and cost, to protect and preserve Company's human, physical and financial assets.

The Risk Management Committee (RMC) maintains comprehensive oversight on all risks and its management and provides guidance on risk Management activities, reviews results of risk assessment and mitigation plan development process, review and monitor working of risk management process and report to the Board of Directors on the status of risk management initiatives and their effectiveness.

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The Company has a process in place to inform the Audit Committee and the Board of Directors on risk assessment and minimisation procedures and periodic review is conducted in order to ensure that Management controls risk through properly defined framework.