



KSS LIMITED

## COMMITTEES OF THE COMPANY AS PER THE COMPANIES ACT, 2013

### AUDIT COMMITTEE

The Audit Committee of the Company has been duly constituted in terms of Section 177 of the new Companies Act, 2013, and as per the SEBI Listing Regulations comprising of the following Members:

- ✚ Mr. Rakesh Roopram Sharma [Chairman], Non Executive Independent Director
- ✚ Ms. Kunti Rattanshi , Non Executive Non Independent Director
- ✚ Mrs. Pratima Shailendra Singh, Additional Director (Independent)

The scope / terms of reference of Audit Committee are as follows:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board, the appointment for appointment/re-appointment, remuneration and terms of appointment of auditors of the Company; and if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Approving payment to statutory auditors for any other services rendered by the statutory auditors;
4. Examination of the financial statement and the auditors' report thereon;
5. Monitoring the end use of funds raised through public offers and related matters;
6. 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. Qualifications in the draft audit report
7. 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;
8. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
9. Approval or any subsequent modification of transactions of the Company with related parties;
10. Scrutiny of inter-corporate loans and investments;
11. Valuation of undertakings or assets of the Company, wherever it is necessary;
12. Evaluation of internal financial controls and risk management systems;
13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
14. 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;
15. Discussion with internal auditors of any significant findings and follow up there on;
16. 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;
17. 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;
18. Looking 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;

19. To review the functioning of the Whistle Blower mechanism.
20. 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 back ground, etc. of the candidate;
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee
22. Mandatorily review the following:
  - a. Management Discussion and Analysis of financial conditions and results of operations
  - b. Statement of significant related party transactions submitted by the management
  - c. Management letters/letters of internal control weaknesses issued by the statutory auditors;
  - d. Internal audit reports relating to internal control weaknesses; and
  - e. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

## STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board of Directors of the Company rechristened the existing Shareholder and Investors Grievance Committee as “Stakeholders Relationship Committee” at their meeting held on March 31, 2015, in accordance with the terms of Section 178 of the Companies Act, 2013 and applicable rules thereto and as per the SEBI Listing Regulations comprising of the following Committee Members:

- ✚ Mrs. Pratima Shailendra Singh [Chairman], Additional Director (Independent)
- ✚ Mr. Rakesh Roopram Sharma, Non Executive Independent Director
- ✚ Mrs. Kunti Rattanshi, Non Executive Non Independent Director

The Scope/terms of reference of Stakeholders Relationship Committee are as follows:

- i. Consider and resolve the grievances of security holders of the Company including Investors’ complaints;
- ii. Allotment of shares, approval of transfer or transmission of shares, debentures or any other securities
- iii. Issue of duplicate certificates and new certificates on split/consolidation/renewal etc.;
- iv. Non-receipt of declared dividends, balance sheets of the Company, etc; and
- v. Carrying out any other function contained in the Listing Agreement and the Companies Act, 2013 as and when amended from time to time;

## NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Company was formed by the Board of Directors of the Company at their meeting held on November 14, 2014 as "Nomination and Remuneration Committee" in terms of Section 178 of the Companies Act, 2013 and as per the SEBI Listing Regulations comprising of the following Committee Members:

✚ Mr. Rakesh Roopram Sharma [Chairman], Non Executive Independent Director

✚ Ms. Kunti Rattanshi, Non Executive Non Independent Director

✚ Mrs. Pratima Shailendra Singh, Additional Director (Independent)

The scope/ terms of reference of the Nomination & Remuneration Committee are as follows:

- 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. While formulating the policy in point (i) above, the Committee shall 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;
  - d. Ensure that the policy mentioned in point (i) and (ii) above, are disclosed in the Board's Report.
  - e. Formulation of criteria for evaluation of Independent Directors and the Board;
  - f. Devising a policy on Board diversity;
  - g. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.