



CORPORATE GOVERNANCE

- 1.1 Indian Rare Earths Ltd. (“IREL”) sincerely follows the corporate governance guidelines issued by DPE and best practices to respect all stakeholder right. The company’s policy is reflected by the very values of transparency, professionalism and accountability. The Company considers it as its inherent responsibility to disclose timely and accurate information regarding its financials and performance as well as the governance of the Company.
- 1.2 IREL maintains the category & Composition of its Board as per the DPE guidelines on Corporate Governance
- 1.3 Board of IREL has constituted all the statutory committees namely the Audit Committee, Remuneration Committee and CSR committee.
- 1.4 Meetings of Board and its constituted committees are called, held and conducted as per statute & DPE guidelines.

2.0 Terms of reference of statutory Committees appointed by the Board

- 2.1 Major terms of reference of the “**Audit Committee**” are—
 - (i) Review of quarterly/annual financial statements before submission to the Board.
 - (ii) Review of internal audit, statutory audit and Government audit reports.
 - (iii) Review with the management, statutory auditors and internal auditors of the internal control system and its adequacy.
 - (iv) Ensure compliance with the applicable Accounting Standards and other statutory requirements for the preparation of financial statements.
 - (v) Review of Significant Accounting Policies and changes, if any.
 - (vi) Review of audit qualifications, if any.
 - (vii) Recommend appointment of cost auditors
 - (viii) Recommend to the Board for fixation of audit fees of statutory auditors & Cost Auditors.



- (ix) Appointment & fixation of remuneration of Tax Auditors.
- (x) Approve payment to statutory auditors for any other services, which are not statutorily prohibited.
- (xi) Review cost audit report and Tax Audit report.
- (xii) Discussion with internal auditors of any significant findings and follow up thereon, etc.

2.2 Terms of reference of the “**Nomination and Remuneration Committee**”

To decide the annual bonus/ variable pay pool and policy for its distribution across the executives and non-unionized supervisors, within the prescribed limits and such other matters as the Board may refer from time to time to the remuneration committee to examine and approve.

2.3 The roles of “**CSR Committee**” are:

- (i) To formulate & recommend a CSR Policy to the Board including activities to be undertaken by the Company.
- (ii) Recommend to the Board the amount of expenditure to be incurred from time to time on the activities specified in the policy.
- (iii) to monitor the CSR policy.

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