

PROLIFE INDUSTRIES LIMITED

Committees of Board of Directors

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (ICDR) Regulations, 2009 in respect of corporate governance will be applicable to our Company immediately upon the listing of our Company's Equity Shares on the SME Platform of NSE. The requirements pertaining to the Composition of the Board of Directors and the constitution of the committees such as the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committees have been complied with.

Our Board of Directors consist of Four (4) directors of which Two (2) are Non-Executive Independent Directors (as defined under Regulation 16(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015), which constitutes 1/2 % of the Board of Directors and one women Director, which is in compliance with the requirements of Regulation 17 of SEBI Listing Regulations, 2015. Our Company has constituted the following committees:

1. Audit Committee

Our Company has constituted an Audit Committee ("Audit Committee"), vide Board Resolution dated 07th September, 2016, as per the applicable provisions of the Section 177 of the Companies Act, 2013 and also to comply with Regulation 18 of SEBI Listing Regulations, 2015 applicable upon listing of the Company's Equity shares on SME platform of NSE ("NSE Emerge"), The constituted Audit Committee comprises following members:

Name of the Director	Status in Committee	Nature of Directorship
Nikunj Dineshkumar Soni	Chairman	Non Executive-Independent Director
Nareshbhai Vanmalidas Thakkar	Member	Non Executive-Independent Director
Anureet Kaur Jolly	Member	Non Executive-Non Independent Director

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries. The scope and function of the Audit Committee and its terms of reference shall include the following:

Terms of Reference

The terms of reference of Audit Committee comply with the requirements of SEBI Listing Regulations 18.

Role of Audit Committee

The scope of audit committee shall include but shall not be restricted to the following:

1. 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;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements 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.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 6. 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/Draft 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;
 7. Review and monitor the auditor's independence performance and effectiveness of audit process;
 8. Approval or any subsequent modification of transaction of the company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertaking or assets of the company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
 13. 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;
 14. Discussion with internal auditors any significant findings and follow up there on;
 15. 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;
 16. 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;
 17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors;
 18. To oversee and review the functioning of the Whistle Blower mechanism, in case the same is existing;
 19. Calls for comments of the auditor about the internal control systems, scope of auditing including the observations of the auditor and review of the financial statements before submission to the board;

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 & background, etc. of the candidate;
21. To investigate any other matters referred by any of the Board of Director
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Review of information by Audit Committee

The audit committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
6. To submit statement of Deviations:
 - i. Quarterly statements of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI Listing Regulations.
 - ii. Report of the monitoring agency on annual statement of funds utilized for purposes other than those stated in the offer documents in terms of Regulation 32(6) SEBI Listing Regulation, if applicable

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the board is not in agreement with the recommendations of the committee, reason for disagreement shall be incorporated in the minutes of the board meeting and the same has to be communicate to shareholders. The Chairman of the Audit committee has to attend the Annual General Meeting of the Company to provide clarification on matter relating to the Audit

Powers of the Audit Committee:

The audit committee shall have the powers, which should include the following:

1. To investigate any activity within its terms of reference;
2. To seek information from any employees;
3. To obtain outside legal or other professional advice; and
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Quorum and Meetings

The audit committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be a minimum of two Independent Directors present.

Any member of the audit committee may be removed or replaced at any time by the Board. Any member of the Committee ceasing to be the Director shall be ceased to be the member of the Audit Committee.

2. Stakeholders Relationship Committee

Our Company has formed the Stakeholders Relationship Committee pursuant to Section 178 of Companies Act, 2013 and Regulation 20 of SEBI Listing Regulation, 2015 vide Resolution dated 07th September, 2016, and the constituted Stakeholders Relationship Committee comprises the following:

Name of the Director	Status in Committee	Nature of Directorship
Anureet Kaur Jolly	Chairman	Non Executive-Non Independent Director

Naresh Vanmalidas Thakkar	Member	Non Executive-Independent Director
Nikunj Dineshkumar Soni	Member	Non Executive-Independent Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholders Relationship Committee

The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

Terms of Reference

1. Transfer of shares, including review of cases for refusal of transfer / transmission of shares, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized;
2. Issue duplicate/split/consolidated share certificates;
3. Review the process and mechanism of Redressal of Shareholders/ Investor grievance and suggest measures of improving the system of Redressal of shareholders/ Investor grievance.
4. Redressal of shareholder and investor complaints like transfer of Shares, non-receipt of balance sheet, non-receipt of declared dividends etc.,
5. Oversee the implementation and compliance of the Code of conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015 as amended from time to time.
6. Oversee the performance of Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
7. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting;
8. Carrying out any other function contained in the equity listing agreement as and when amended from time to time.

Quorum and Meetings

The Stakeholders Relationship Committee shall meet at least four times a year with maximum interval of four months between two meetings and shall report to the board on a quarterly basis regarding the status of Redressal of complaints received from the shareholders of the company. The quorum should be two members present.

The quorum necessary for a meeting of the Stakeholders Relationship Committee shall be two members or one third of the members, whichever is greater.

3. Nomination and Remuneration Committee

Our Company has formed the Nomination and Remuneration Committee pursuant to Section 178 of Companies Act, 2013 and Regulation 19 of SEBI Listing Regulation, 2015 vide Resolution dated 07th September, 2016. The Nomination and Remuneration Committee comprise the following:

Name of the Director	Status in Committee	Nature of Directorship
Anureet Kaur Jolly	Chairman	Non Executive-Non Independent Director
Nareshbhai Vanmalidas Thakkar	Member	Non Executive-Independent Director
Nikunj Dineshkumar Soni	Member	Non Executive-Independent Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee.

The scope and function of the Committee and its terms of reference shall include the following:

The terms of reference of the Nomination and Remuneration Committee are:

- a) 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;
- b) 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 and shall carry out evaluation of every directors performance.
- c) Formulation of criteria for evaluation of Independent Directors and the Board;
- d) Devising a policy on Board diversity;
- e) Deciding on, 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,
- f) Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive directors.
- g) Define and implements the performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
- h) Decide the amount of Commission payable to the Whole time Directors.
- i) Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the company, standards prevailing in the industry, statutory guidelines etc.
- j) To formulate and administer the Employee Stock Option Scheme.
- k) To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

Quorum and Meetings

The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members, whichever is higher. The Committee is required to meet at least once a year. Meeting of the Nomination and Remuneration Committee shall be called by at least Seven day's notice in advance.

The Chairman of the aforesaid committee is entitled to attend the General Meeting of the Company to furnish clarifications to the shareholders on any matter relating to remuneration.