NICCO PARKS & RESORTS LIMITED

CHARTER OF THE BOARD

1. Purpose

This charter is subject to the clauses of the Articles of Association of the Company and the laws applicable to the Company. This charter is not intended to limit, enlarge or change in any way the responsibilities of the Board as determined by such articles and applicable laws. This is a comprehensive guidance to the Board of Directors of the Company about its composition, duties and responsibilities.

2. Composition

i. The Board of Directors shall have an optimum combination of Executive, Non-Executive, Nominee & Independent Directors as specified in the Companies Act, 2013 & the rules thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

ii. **Nominee Directors**

The Company shall have on its Board three nominees from the West Bengal Government and three nominees from Nicco.

iii. **Chairman**

One of the Directors nominated by West Bengal Government shall be the Chairman of the Board.

iv. **Managing Director**

The Managing Director, if any, shall be one of the nominees of Nicco. If the Company does not have a Managing Director, Nicco shall have the right to nominate the Chief Executive.

v. **Woman Director**

The Company shall have atleast one Woman Director in its Board. Any intermittent vacancy of a Woman Director shall be filled up by the Board at the earliest but not later than immediate next Board meeting or three months from the date of such vacancy, whichever is later.

vi. **Independent Director**

The Company shall have such number of Independent Directors as may be required under the Companies Act, 2013 and the rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

The Independent Director shall comply with all the conditions of Independent Directorship as specified in the Companies Act, 2013 and rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. An Independent Director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company's business.

Any intermittent vacancy of an Independent Director shall be filled up by the Board at the earliest but not later than immediate next Board meeting or three months from the date of such vacancy, whichever is later.

vii. The Company shall have atleast one director who has stayed in India for a total period of not less than one hundred and eighty two days in the previous calendar year.

3. Secretary

The Company Secretary shall act as the Secretary to the Board.

4. Meetings

i. The Board shall meet at least 4 times in a year and not more than one hundred and twenty days shall elapse between two consecutive meetings.

ii. The participation of Directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be prescribed, which are capable of recording and recognizing the participation of the Directions and of recording and storing the proceedings of such meetings along with date and time.

iii. The Independent Directors shall hold at least one meeting in a year without the attendance of the Non-Independent Directors and members of management.

5. Quorum

The quorum for a meeting of the Board of Directors shall be one-third of its total strength or two Directors, whichever is higher. The participation of the Directors by video conferencing or by other audio visual means shall also be counted for the purpose of quorum.

6. Minutes of the Meetings

Proceedings of all meetings must be minuted and such minutes shall be signed either by the Chairman of that meeting or by the Chairman of the subsequent meeting. The Minutes of the meeting will be tabled at the subsequent meeting for its confirmation.

7. Duties

The duties of the Board of Directors of the Company shall, inter-alia, include:

i. To act in accordance with the Articles of the Company.

ii. To act in good faith to promote the objects of the Company for the benefit of its members as a whole and in the best interest of the Company and its stakeholders and for the protection of environment.

iii. To exercise ones duties with due and reasonable care, skill and diligence and to exercise independent judgment.

iv. To prevent conflict of interest with the Company.

v. Not to achieve or attempt to achieve any undue gain or advantage either to oneself or to ones relatives, partners or associates.

vi. Not to assign his office.

8. Responsibilities

The responsibilities of the Board shall, inter-alia, include the following:

A. Disclosure of Information:

1. To disclose to the Board whether they, directly or indirectly or on behalf of third parties, have a material interest in any transaction or matter directly affecting the Company.

2. To conduct themselves so as to meet the expectations of operational transparency to Stakeholders while at the same time maintaining confidentiality of information in order to foster a culture of good decision making.

B. Key functions:

1. Reviewing and guiding corporate strategy, majors plans of action, risk policy, annual budgets, major Capex, etc.

2. Reviewing and monitoring the integrity of the Company's financial statements i.e whether the financial statements of the Company represents a true & fair view.

3. To approve the related party transactions which are covered under section 188 of the Companies Act, 2013 and which are not in the ordinary course of business and not at arm's length price.

4. The Board shall satisfy itself that plans are in place for orderly succession for appointment to the Board of Directors, Key Managerial Personnel and senior management.

5. Recommending to the Shareholders the appointment of the Statutory Auditors.

6. Monitoring the Company's Governance practice.

7. Monitoring the managerial performance.

8. Preventing conflict of interest with that of the Company.

9. Monitoring and reviewing the Board of Director's evaluation framework.

10. Aligning Key Managerial Personnel and remuneration of the Board of Directors with the longer term interests of the Company and its stakeholders.

11. Oversee the risk assessment, monitoring and minimization procedures. The Board shall ensure the integration and alignment of the risk management system with the corporate and operational objectives and also that risk management is undertaken as a part of normal business practice and not as a separate task at set times.

12. Ensuring compliance with all applicable laws. The Board shall periodically review compliance reports pertaining to all laws applicable to the Company as well as the steps taken by the Company to rectify instances of non-compliances.

C. Other Responsibilities:

1. To provide strategic guidance to the Company.

2. To set a corporate culture & values.

3. To act on a fully informed basis, in good faith, with due diligence and care and in the best interest of the Company and its stakeholders.

4. To maintain high ethical standards and take into account the interest of the stakeholders and treat all the shareholders fairly.

5. To exercise objective independent judgment.

D. <u>Fiduciary Duties</u>

Directorships are considered 'positions of trust'. Board as a whole and the Directors as individuals owe certain fiduciary responsibilities to the Company as an entity and to its stakeholders. Directors are required to act in the best interests of all shareholders / stakeholders of the Company in accordance with the Memorandum and Articles of Association of the Company. The fiduciary duties of Directors include:

- **Duty of Loyalty to act without conflict and always put the interests of the Company before those of the individual Director -**Directors should not be influenced by any financial or personal interest in the course of their dealings on behalf of or with the Company. If avoidance is impractical in a given situation, then such transactions should be approved by non-interested Directors in a manner that ensures arms length relationship including the right of the non-interested Directors to reject the transaction altogether. Independent Directors must critically review conflict-of-interest transactions.

- **Duty of Care to take informed decisions-**Duty of Care demands that Directors must exercise due care and diligence in overseeing the functioning of the Company. Directors shall collectively and individually, act prudently in discharging their duties. Directors are expected to attend all Board, General and Committee meetings.

- **Duty to act in good faith in accordance with the Company's codes and policies and the best governance practices-**The duty of good faith requires the Directors to ensure decisions are taken in the best interests of the Company.

9. Code of Conduct for Directors & Senior Management:

The Board shall lay down a Code of Conduct for the Directors & Senior Management of the company. The Code may be referred to on the website of the company. All Board members and senior management personnel shall affirm compliance with the Code on an annual basis.

10. Compliance of Laws :

The Board shall periodically review compliance reports of all laws applicable to the company, prepared by the company as well as steps taken by the company to rectify instances of non-compliance.

11. Board Committees

The Board of Directors of the Company shall have the authority to delegate powers and constitute Committees in compliance with the Articles of the Association of the Company and applicable laws thereof. The Board shall regulate, monitor and supervise the activities of each of its committees constituted from time to time through respective Committee Charters.

Presently, there are four Committees of the Board of Directors: Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee. The roles and responsibilities of each Committee are described in the respective Committee charters.

The Board has the power to delegate any of its duties and responsibilities to any of these committees.

12. Evaluation

i. The Independent Directors at their meeting shall review the performance of the Chairperson, Non-Independent Directors and the Board as whole.

ii. The Nomination & Remuneration Committee shall evaluate the performance of the Directors of the Company.

iii. The Board Report shall contain a statement indicating the manner in which the formal annual evaluation has been made by the Board of its own performance and that of its Committees and individual Directors.

13. Boards Report

- The Boards Report shall contain information as required and in compliance with applicable provisions of Companies Act, 2013 read with relevant provisions and other applicable regulations or any amendments from time to time.
- The report of the Board of Directors shall be signed by the Chairman and in his absence by two Directors authorized in this behalf.

14. Amendment

The Company reserves the right to amend or modify the charter of the Board of Directors as and when required, in compliance with the laws and regulations applicable to the Company and such amendment will be effective only after the approval of the Board of Directors.