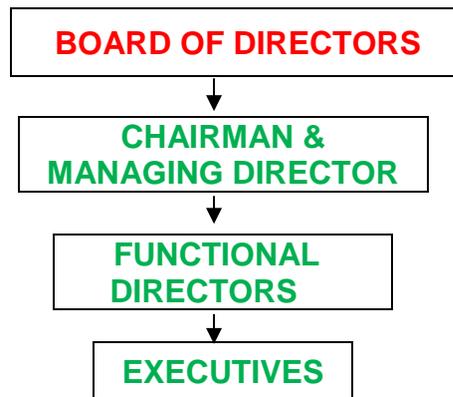




PROCEDURES FOLLOWED IN THE DECISION-MAKING PROCESS, INCLUDING CHANNELS OF SUPERVISION AND ACCOUNTABILITY

The decisions making process in the Company involves the following channel:



Overall Management of the Company rests with the Board of Directors of the Company, the highest decision making body within the Company.

The Board of Directors is accountable to the shareholders of the Company, who are real owners of a Company, THDC being a Public Sector Enterprises, the Board of Directors of the Company is also accountable to Government of India.

As per the provisions of the Companies Act, 2013 certain matters require the approval of the shareholders of the Company in general meeting. Similarly, in terms of the Articles of Association of the Company and guidelines of Department of Public Enterprises certain matters require the approval of the President of India.

The primary role of the Board is that of trusteeship to protect and enhance shareholders value. The Board oversees the Company's strategic direction, reviews corporate performance, authorizes and monitors strategic decision, ensures regulatory compliance and safeguards interests of shareholders. The Board ensures that the Company is managed in a manner that fulfils stakeholders' aspirations and societal expectations.

The day-to-day management of the Company is entrusted with the Chairman & Managing Director who is supported by Functional Directors and other Officers and staff of the Company.

The Board of Directors has also set up several Committees with specific functions and powers. For effective discharge of his functions, the Board of Directors has delegated substantial powers to the Chairman & Managing Director. The Chairman & Managing Director, in turn, delegated specified power to Functional Directors/Officers subject to due control being retained by him and subject to such conditions which are consistent with the need of prompt, effective and efficient discharge of responsibilities entrusted to such a Director/ Officer.

The Chairman & Managing Director is accountable to the Board of Directors. Functional Directors are accountable to the Chairman & Managing Director. The Officers are accountable to concerned Functional Directors.