



CHARTER OF AUDIT COMMITTEE

Statement of Purpose:

Audit Committee plays a pivotal role in overseeing the quality, integrity and transparency of accounting, auditing of the Company. The Audit Committee has the responsibilities set forth in its charter with respect to the quality and integrity of the Company's financial statements; the Company's compliance with legal and regulatory requirements; the Company's overall supply chain risk management process; the independent Statutory Auditor's firm's qualifications and independence; the performance of the Company's internal audit function and independent Internal audit firm etc.

Membership of Committee:

- No of Members:

The committee shall have minimum 3 (Three) directors as members.

- Qualification:

- a. At least 2/3 (Two-third) of the members of audit committee shall be Independent Directors in compliance of SEBI Regulations.
- b. All members of audit committee shall be financially literate and at least one member shall have accounting or related financial management expertise.

- Appointment and Removal:

The members of the Committee shall be appointed and may be removed by the Board.

- Term:

Each member of the Committee shall serve until his or her successor is duly appointed and qualified, or until his or her earlier removal or resignation or such time as he or she is no longer an "Independent" director of the Board.

- Chairperson:

The Committee shall designate a Chairperson of the Committee from among its members from time to time and Chairperson of the committee shall be an Independent Director.

Composition of the Committee:

The present Committee structure as below:

1. Mr. Ratnakar Venkappa Rai	Chairperson
2. Ms. Shivani Shivshankar Tiwari	Member
3. Ms. Sangita Bhamesh Kamble	Member

Ms. Vaishali Bakliwal, Company Secretary shall act as Secretary of the Committee.

Terms of Reference:

Audit Committee shall act in accordance with the terms of reference specified in writing by the Board which shall, inter alia, include,—

- i. the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- ii. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- iii. Examination of the financial statement and the auditors' report thereon;
- iv. Approval or any subsequent modification of transactions of the company with related parties;
- v. Scrutiny of inter-corporate loans and investments;
- vi. Valuation of undertakings or assets of the company, wherever it is necessary;
- vii. Evaluation of internal financial controls and risk management systems;
- viii. Monitoring the end use of funds raised through public offers and related matters.
- ix. Review the functioning of the Whistle Blower mechanism / oversee the vigil mechanism;
- x. Approval of appointment of Chief Financial Officer after assessing qualifications, experience and background, etc. of the candidate;

Powers of the Committee:

- To call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and May also discuss any related issues with the internal and statutory auditors and the management of the company.
- To investigate any activity within its terms of reference.
- To heard Directors and employees who reports genuine concerns seek information from any employee and to secure attendance of outsiders with relevant expertise, if it considers necessary.
- To obtain outside legal or other professional advice.

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.

Quorum for meetings:

The quorum for audit committee meeting shall either be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

Role and responsibilities:

The role of Audit committee shall include the following:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
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 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) 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 / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
 7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of the listed entity with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the listed entity, 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, 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 of 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 non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.]
22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.]
23. Any other role amended through provisions of Companies Act, 2013 or SEBI Regulations.

Information Review by Audit Committee:

Audit Committee shall 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. Statement of deviations:
7. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
8. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

General:

This Charter is intended as a component of the flexible framework within which the Board, assisted by its committees, directs the affairs of the Company. While it should be interpreted in the context of applicable laws, regulations and listing regulations, as Amended and Restated By-Laws, it is not intended to establish by its own force any legally binding obligations.