



Terms of Reference of Audit Committee

(approved by the Board of Directors at its meeting held on May 29, 2025)

Role of the Audit Committee:

- a) overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- b) recommendation to the Board regarding the appointment, re-appointment and replacement, remuneration, fees and terms of appointment of the statutory auditor, Cost Auditor, Secretarial Auditor and Internal Auditor of the Company and the fixation of audit fee;
- c) approval of payments to statutory auditors for any other services rendered by the statutory auditors;
- d) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - i. 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 Act;
 - ii. changes, if any, in accounting policies and practices and reasons for the same;
 - iii. major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. significant adjustments made in the financial statements arising out of audit findings;
 - v. compliance with listing and other legal requirements relating to financial statements;
 - vi. disclosure of any related party transactions; and
 - vii. qualifications / modified opinion(s) in the draft audit report;
- e) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- f) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue or 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, preferential issue or qualified institutions placement and making appropriate recommendations to the Board to take up steps in this matter;
- g) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- h) formulating a policy on related party transactions, which shall include materiality of related party transactions and subsequent modification thereto;



- i) make omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed in the Act and SEBI Listing Regulations.
- j) recommend criteria for omnibus approval or any changes to the criteria for approval of the Board;
- k) reviewing, at least on a quarterly basis, the details of related party transaction entered into by the Company pursuant to each of the omnibus approvals given;
- l) approval or any subsequent modification / ratification of transactions of the Company with related parties within the time frame prescribed under the Act and SEBI Listing Regulations by the independent directors who are members of the Audit Committee;
- m) make recommendation to the Board, where Audit Committee does not approve transactions other than the transactions falling under Section 188 of the Companies Act
- n) scrutiny of inter-corporate loans and investments;
- o) valuation of undertakings or assets of the Company, wherever it is necessary;
- p) Appointment of a Registered Valuer under Section 247 of the Act;
- q) evaluation of internal financial controls and risk management systems;
- r) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- s) 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;
- t) discussion with internal auditors of any significant findings and follow up thereon;
- u) 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;
- v) 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;
- w) 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;
- x) overseeing the vigil mechanism established by the Company, with the chairperson of the committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
- y) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- z) 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;



- aa) review the financial statements, in particular, the investments made by any unlisted subsidiary;
- bb) meet with auditors independent of the management of the Company;
- cc) review compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and shall verify that the systems for internal control under the said Regulations are adequate and are operating effectively;
- dd) to consider the rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc. of the Company and provide comments to the Company's shareholders;
- ee) approving the Key Performance Indicators ("KPI"), once every year or at such frequency as determined by the Board or as may be required under other applicable laws;
- ff) carrying out any other functions and roles as provided under the Act, the SEBI Listing Regulations, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, each as amended and other applicable laws or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties; and
- gg) carry out such other functions as may be specifically referred to the Audit Committee by the Board and/or other committees of directors of the Company.

The Audit Committee shall mandatorily review the following information:

- a) management discussion and analysis of financial condition and results of operations;
- b) management letters / letters of internal control weaknesses issued by the statutory auditors;
- c) internal audit reports relating to internal control weaknesses; and
- d) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
- e) statement of deviations:
 - i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and
 - ii. annual statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7) of the Listing Regulations.
- f) Such other information as may be prescribed under the Act, and the SEBI Listing Regulations.



Powers of the Audit Committee:

- a) to investigate any activity within its terms of reference;
- b) to seek information from any employee of the Company;
- c) to obtain outside legal or other professional advice;
- d) to secure attendance of outsiders with relevant expertise, if it considers necessary;
and
- e) Such powers as may be prescribed under the Act and SEBI listing regulations and other applicable laws.
