

BOARD AUDIT COMMITTEE

The objective of Audit Committee is to assist the Board in providing oversight of the integrity of the Company's financial statements, the Company's compliance with legal and regulatory framework as well as the performance of the Company's internal audit function and the External audit firm engaged to prepare or issue an audit report with respect to the Company's financials.

The terms of reference of this committee include the following:

- BAC shall hold meetings as many times as required, however, at least 4 meetings shall be held in a fiscal year, to review the preliminary results after each quarter prior to submission to the Board.
- Determination of appropriate measures to safeguard the Company's assets.
- Review of quarterly, half-yearly and annual financial statements of the Company, prior to their approval by the Board of Directors, focusing on:
 1. major judgmental areas;
 2. significant adjustments resulting from the audit;
 3. going concern assumption;
 4. any changes in accounting policies and practices;
 5. compliance with applicable accounting standards;
 6. compliance with these Regulations and other statutory and regulatory requirements; and
 7. all related party transactions.
- Facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may want to highlight.
- Review of management letter issued by external auditors and management's response thereto.
- Ensuring coordination between the internal and external auditors of the Company.
- Review of the scope and extent of internal audit, audit plan, reporting framework and procedures and ensuring that the internal audit function has adequate resources and is appropriately placed within the Company.
- Consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto.
- Ascertaining that the internal control systems including financial and operational controls, accounting systems for timely and appropriate recording of purchases and sales, receipts and payments, assets and liabilities and the reporting structure are adequate and effective.
- Review of the company's statement of internal control system prior to endorsement by the Board and internal audit reports.
- Instituting special projects or other investigations on any matter specified by the Board, in consultation with the Chief Executive Officer and to consider referring of any matter to the external auditors or to any other external body.
- Determination of compliance with relevant statutory requirements and monitoring and compliance with these regulations and identification of significant violations thereof.
- Review of arrangements for staff and management to report to audit committee in confidence, concerns, if any, about actual or potential improprieties in financial and other matters and recommend instituting remedial and mitigating measures.
- Recommend to the Board the appointment of external auditors, their removal, audit fees, the provision of any service permissible to be rendered to the company by the external auditors in addition to audit of its financial statements, measures for redressal and rectification of non-compliances with the Regulations. The Board shall give due consideration to the recommendations of the audit committee and where it acts otherwise it shall record the reasons thereof.
- Consideration of any other issue or matter as may be assigned by the Board.