



Anwasha Engineering & Projects Limited
(CIN: U29199GJ1998PLC034128)

AUDIT COMMITTEE TERMS OF REFERENCE

COMPOSITION:

1. Mr. Sanjeev Shah (Chairman)
2. Mr. Asim Chandra
3. Ms. Deepti Sharma

TERMS OF REFERENCE:

Objective:

The management of the Company has the overall responsibility to prepare financial statements in accordance with generally accepted accounting principles. The Company's Independent Auditors has the responsibility to audit those financial statements. The Committee's responsibility is one of overseeing the financial information.

The Audit Committee is constituted by the Board with an intent to assist the later in its oversight of:

- (i) The quality and integrity of the accounting, auditing and reporting practices of the Company;
- (ii) The integrity of the financial statements, the appointment, independence, performance and remuneration of the Statutory and Internal Auditors;
- (iii) The independent auditor's qualifications and Independence;
- (iv) The performance of the Company's internal audit function and independent auditors; and;
- (v) The compliance with the legal and regulatory requirements.

Other than mentioned above the Committee's purpose is to oversee the accounting and financial reporting process of the Company, the audits of the Company's financial statements, the appointment, independence, performance and remuneration of the statutory auditors including the Cost auditors, the performance of internal auditors and the Company's risk management policies.

A. Powers:

The Audit Committee shall have the authority to:

- 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
- To discuss any related issues with the internal and statutory auditors and the management of the company
- To investigate into any matter within its terms of reference or referred to it by the Board
- To have full access to information contained in the records of the company
- To seek information from any employee, Director or KMP

To obtain outside legal and professional advice for its effective functioning

B. Responsibilities:

The Audit shall act in accordance with the terms of reference specified by the Board and which shall, *inter alia*, include:

- (i) Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of statutory auditors, including cost auditors, and fixation of audit fees and other terms of appointment;
- (ii) Approving payment to statutory auditors, including cost auditors for any other services rendered by them.
- (iii) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- (iv) Examination of the financial statement and the auditors' report thereon;
- (v) Approval or any subsequent modification of transactions of the company with related parties;
- (vi) Scrutiny of inter-corporate loans and investments;
- (vii) To engage a registered valuer as prescribed under the Act for valuation of undertakings or assets of the company, wherever it is necessary;
- (viii) Evaluation of internal financial controls and risk management systems;
- (ix) Monitoring the end use of funds raised through public offers and related matters.

