

Terms of reference of Audit Committee

The following are the terms of reference of audit committee of the Company. These terms have been approved in the meeting of Board of directors of the Company held on and may be altered or modified time to time as may be necessary with the approval of the Board.

The audit committee:

- shall determine appropriate measures to safeguard the Company's assets;
- shall review annual and interim financial statements of the Company, prior to their approval by the Board of Directors, focusing on:
 - Major judgmental areas;
 - significant adjustment resulting from the audit;
 - going concern assumption;
 - any changes in accounting policies and practices;
 - compliance with applicable accounting standards;
 - compliance with these regulations and other statutory and regulatory requirements; and
 - all related party transactions.
- shall review preliminary announcements of results prior to external communication and publications;
- shall facilitate the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of Management, where necessary);
- shall review management letter issued by the external auditors and Management's response thereto;
- shall ensure coordination between the internal and external auditors of the Company;
- shall 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;
- shall consider major findings of internal investigations of activities characterised by fraud, corruption and abuse of power and Management's response thereto;

- shall ascertain 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;
- shall review of the Company's statement on internal control systems prior to endorsement by the Board of Directors and internal audit reports;
- shall institute special projects, value for money studies or other investigations on any matter specified by the Board of Directors, in consultation with the Chief Executive Officer and to consider remittances of any matter to the external auditors or to any external body;
- shall determine the compliance with relevant statutory requirements;
- shall monitor compliance with these regulations and identification of significant violations thereof;
- shall review of arrangement 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;
- shall recommend to the Board of Directors the appointment of external auditors, their removal, audit fee, the provision of any service permissible to be rendered to the Company by the external auditors in addition to audit of its financial statements. The Board of Directors shall give due consideration to the recommendations of the Audit Committee and where it acts otherwise it shall record the reasons thereof; and
- shall consider any other issue or matter as may be assigned by the Board of Directors.