

BOARD COMMITTEES

With a view to have a focus in specific areas of business and to ensure better accountability and transparency, the Board has constituted three committees viz. Audit Committee, Stakeholder Relationship Committee and Nomination and Remuneration Committee.

I. AUDIT COMMITTEE

The Audit Committee of the Company is constituted within the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. The Audit Committee comprises of 2 non-executive directors and 1 executive director, who are well versed financial matters.

The Audit Committee met four times in the financial year ended viz. 30th May, 2016; 5th August, 2016; 14th November, 2016 and 10th February, 2017. The necessary quorum was present for the meetings.

The composition of the Audit Committee is as follows:-

Name	Category	Position	Number of meetings during year ended March 31, 2017	
			Held	Attend
Mr. Akshay Bahtt	Independent, Non-Executive Director	Chairman	4	4
Mr. Ishan Selarka	Independent, Non-Executive Director	Member	4	4
**Mr. Bharat Parekh	Managing Director, Executive Director	Member	4	3

*Mr. Sandeep Poddar ceased to be director on the Board of the Company by virtue of his resignation on 5th August, 2016. Along with that Mr. Sandeep Poddar ceased to be member of Audit Committee.

**Mr. Bharat Parekh was appointed as the member w. e. f. 5th August, 2016 in place of Mr. Sandeep Poddar.

TERMS OF REFERENCE

The terms of reference of the Audit Committee covering the matters specified under regulation 18 read with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Section 177 of Companies Act, 2013. The terms of reference are as under:-

- i. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- ii. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- iv. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required being included in the Director's Responsibility Statement to be included in the

Board's report in terms 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. Qualifications in the draft audit report.
- iv. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- v. 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- vi. Review and monitor the auditors' independence and performance, and effectiveness of audit process;
- vii. Approval or any subsequent modification of transactions of the Company with related parties;
- viii. Scrutiny of inter-corporate loans and investments;
- ix. Examination of the financial statement and the auditors' report thereon;
- x. Valuation of undertakings or assets of the company, wherever it is necessary;
- xi. Evaluation of internal financial controls and risk management systems;
- xii. Establish and review functioning of the vigil mechanism and whistle blower policy for directors and employees to report genuine concerns in such manner as may be prescribed;
- xiv. The audit committee may 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;
- xv. The audit committee shall review the information required as per SEBI Listing Regulations.
- xvi. 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;
- xvii. 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;
- xviii. 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
- xix. reviewing performance and adequacy of the statutory and internal audit functions and

discussions on significant findings

xx. Carrying out any other function as is mentioned in the terms of reference of the audit committee.