

**KINGS INFRA VENTURES LIMITED****CHARTER OF****AUDIT COMMITTEE**

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CHARTER OF AUDIT COMMITTEE

1. SCOPE OF THE COMMITTEE

The Audit Committee (Committee) of Kings Infra Ventures Limited (Company) is constituted in line with Section 177 of the Companies Act, 2013 (Act) read with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Regulations) as amended from time to time.

2. COMPOSITION

- 2.1. The Committee shall have a minimum of three directors as members.
- 2.2. Two-third of the members of the Committee shall be Independent Directors.
- 2.3. All members of the Committee shall be financially literate and at least one member shall have accounting or related financial management expertise.
- 2.4. The chairperson of the Committee shall be an independent director.
- 2.5. The Chairperson shall be present at Annual General Meeting to answer shareholder queries.

3. MEETINGS & QUORUM

- 3.1. The quorum for meeting shall either be two members or one third of the members of the Committee, whichever is greater, with at least two independent directors.
- 3.2. The Company Secretary shall act as the Secretary to the Committee.
- 3.3. The Committee at its discretion shall invite the Chief Financial Officer or head of the finance function, head of internal audit and a representative of the statutory auditor and any other such executives to be present at the meetings of the Committee.
- 3.4. The Committee shall meet at least four times in a year and the intervening period between two meetings shall not exceed 120 days.





4. MINUTES

- 4.1. The Minutes of Committee Meetings shall be recorded and maintained in a separate and distinct minute book.
- 4.2. The Minutes of each Committee meeting shall be noted and taken on record at the immediately succeeding meeting of the Board of Directors (Board).
- 4.3. The Minutes Book shall be preserved permanently and kept in the custody of the Company Secretary.

5. ROLE

The role of the Committee shall include the following:

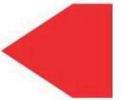
- 5.1. oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- 5.2. recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- 5.3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 5.4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
- a. matters required to be included in the director's responsibility statement which is part of the Board's report;
 - 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. modified opinion(s) in the draft audit report;





- 5.5. reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- 5.6. Review and approval of the related party transactions including any subsequent modifications thereof
- 5.7. 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 utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter;
- 5.8. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- 5.9. approval or any subsequent modification of transactions of the Company with related parties;
- 5.10. scrutiny of inter-corporate loans and investments;
- 5.11. valuation of undertakings or assets of the Company, wherever it is necessary;
- 5.12. evaluation of internal financial controls and risk management systems;
- 5.13. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 5.14. 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;
- 5.15. discussion with internal auditors of any significant findings and follow up there on;
- 5.16. 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;





- 5.17. 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;
- 5.18. 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
- 5.19. to review the functioning of the whistle blower mechanism;
- 5.20. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- 5.21. Carrying out any other function as is mentioned in the terms of reference of the Committee.
- 5.22. 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.
- 5.23. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- 5.24. The 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 Committee.
 - 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).
 - ii. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).





5.25. Performing such other functions as may be required under the Act and SEBI Regulations and as may be delegated by the Board of Directors (Board) from time to time.

6. REPORTING

6.1. The Committee shall report periodically to the Board and thereby keep the Board informed of its developments.

6.2. This charter shall be displayed on the website of the Company.

7. REVIEW

7.1. The adequacy of this charter shall be subjected to periodic review by the Committee.

7.2. Recommendations may be made to the Board by the Committee with respect to any modification in the Charter, which may be the consequence of any statutory amendment or otherwise.

7.3. The Board shall take such steps as may be necessary for implementing the same.

