

Synopsis of the Terms of Reference of the Audit Committee of the Board

Authority:

The Committee is authorized by the Board to:

- seek any information it requires from management of the Company and the Company's auditors in order to perform its duties;
- Investigate any matters referred by the Board of Directors
- Obtain any independent legal or other professional advice that it considers necessary to execute its functions.

In additions to this, the members of the Committee also have the unrestricted access to the resources, data and information to carry out its responsibilities.

Duties and Responsibilities:

The Committee shall:

1 Financial Statements

- a) Review of annual and interim financial statements of the company, prior to their approval by the Board of Directors, focusing on:
 - Major judgmental areas;
 - Significant adjustments 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
- b) 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 wish to highlight (in the absence of management, where necessary).
- c) Review of management letter issued by external auditors and management's response thereto.
- d) Review the effect of changes in regulatory and Accounting standards, as well as off-balance sheet structures, on the financial statements of the Company.
- e) Periodically review of the Related party transactions and provide recommendation to the Board for the approval.



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Management Committees & Internal Controls:

- a) Review the adequacy and effectiveness of the Company's internal controls (operational and financial etc.), accounting systems and reporting structures, including information system & technology security and control and make necessary recommendations to the Board
- b) Review the adequacy and effectiveness of measures to safeguard the Company's assets
- c) Review and approve the delegations of financial authorities and address any need to update these authorities on an annual basis.

3

Internal Audit:

- a) Review and recommend changes (if any) to the Internal Audit charter and approve the Internal Audit Charter.
- b) 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
- c) Review reports on material findings and outcome of internal investigation prepared by internal audit and management's responses thereto and make recommendations to the Management for future reference.
- d) Meet with the Head of Internal Audit on a regular basis to discuss any matters that the Committee or Head of Internal Audit believes should be discussed privately.
- e) Consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto.
- f) Make recommendation to the Board to determine, appointment, remuneration, terms and conditions of Head of Internal Audit department or Audit firm in case of outsource.

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External Audit:

- a) Recommend to the board of directors 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.
- b) Make recommendation to the Board, for the rotation of the Audit firm as required by law after period of five years.



- c) Oversee the disagreements between management and the independent auditor in the event that they arise.
- d) Review and adopt the pre-approval policy from the Committee with respect to other services (except the restriction imposed on services as specified in the respective regulations) provided by the External auditor in order to ensure their independence is not compromised.

5 Other Responsibilities:

- a) Review material whistleblower and harassment incidents and material litigations imposed on the company.
- b) Instituting 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 remittance of any matter to the external auditors or to any other external body;
- c) Review and evaluate any other reports the Company issues that relate to the Committee's responsibilities.
- d) Consideration of any issue or matter as may be assigned by the Board.

Reporting:

The Chairperson of the Committee will report to the Board on the proceedings of the Committee and bringing forward all Committee recommendations requiring Board approval.

