



**ADANI ELECTRICITY MUMBAI LIMITED  
CHARTER OF THE AUDIT COMMITTEE**

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### 1. CONTEXT

The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the financial reporting process of the Company. The Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and action taken report.

### 2. Terms of Reference

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Section 177 of the Companies Act, 2013. The brief terms of reference of Audit Committee are as under:

1. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;]
2. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
3. Examination of the financial statement and the auditors' report thereon;
4. Approval or any subsequent modification of transactions of the company with related parties;
5. Scrutiny of inter-corporate loans and investments;
6. Valuation of undertakings or assets of the company, wherever it is necessary;
7. Evaluation of internal financial controls and risk management systems;
8. Monitoring the end use of funds raised through public offers and related matters.
9. 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 or

rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

10. Reviewing, with the management, the performance of statutory and internal auditors, adequacy of the internal control systems.

### **3. Review of information by Audit Committee:**

Adani Electricity Mumbai Limited (AEML) ensure effective Business Continuity System by following:

1. The Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions submitted by management.
3. Management letters / letters of internal control weaknesses issued by the statutory auditors.
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor.
6. Statement of deviations :
  - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s).
  - b. Annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice.

### **4. Composition of the Audit Committee**

All members of the Audit Committee have accounting and financial management knowledge and expertise / exposure. The Audit Committee meetings are attended by the Internal Auditors, Statutory Auditors, Chief Financial Officer and head of finance. The Company Secretary acts as the Secretary of the Audit Committee.

## **Charter of the Audit Committee**

Company Secretary and Compliance Officer act as a Secretary of the Committee. The Chairman of the Audit Committee attended the Annual General Meeting (AGM) to answer the shareholders' queries.

### **5. DISCLOSURES**

The updated policy shall be continuously hosted on the website of the Company.