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Ajay Poly Limited
(Formerly known as Ajay Poly Pvt. Ltd.)
Registered Office:
70, Okhla Industrial Estate Phase-III,
New Delhi-110020 | Ph.: +91-11-40922226
Web.: www.applindia.co.in
E-mail: info@applindia.co.in
CIN No. U74899DL1980PLC010508

Terms of Reference of Audit Committee

1. Overseeing the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation to the Board for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company including the internal auditor, cost auditor and statutory auditor of the Company, and fixation of the audit fee;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
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 to be included in the Board's report in terms of clause (c) of sub-section (3) of 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; and
 - (g) Modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. 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;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Formulating a policy on related party transactions, which shall include materiality of related party transactions;
9. Approval or any subsequent modification of transactions of the Company with related parties; All related party transactions shall be approved by only Independent Directors who are the members of the committee and the other members of the committee shall reuse themselves on the discussions related to related party transactions;
Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.
10. Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
11. Scrutiny of inter-corporate loans and investments;
12. Valuation of undertakings or assets of the Company, wherever it is necessary; Appointment of Registered Valuer under Section 247 of the Companies Act, 2013.
13. Evaluation of internal financial controls and risk management systems;
14. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems;

Gujarat:
Plot No. 2 ,Survey No.25,
Wadnagar - Vasodara Road,
Village - Vasodara, Tal -
Sanand, Dist - Ahmedabad
- 382110, Gujarat
Ph.: +91-9311285915

Tamilnadu:
Plot No.- L-9/2, Sipcot
Industrial Park, Mambakkam
Village, Siperumbudur,
Kancheepuram Dist.
TamilNadu - 602105
Ph.: +91-9311285919

Uttar Pradesh:
E-119, 120, 121, 122 &
123 Site-B, Surajpur
Industrial Area, Greater
Noida - 201306,
Uttar Pradesh,
Ph.: +91-9311285911

Uttar Pradesh:
Plot No. - 3B,
Ecotech-II, Udyog Vihar,
Greater Noida, Uttar
Pradesh 201306,
Ph.: +91-9319883364

Karnataka:
No. 28/A-2 & 3,
Vishweshwariah Indl.
Area, Mahadevapura
post, Bangalore -
560048, Karnataka
Ph.: +91-11-40922226

Maharashtra:
Gat. No. 381/382,
Village - Wing,
Tal - Khandala, Dist -
Satara - 412801,
Maharashtra,
Ph.: +91-9311285925

Maharashtra:
Gat. No. 1330/A/1,
Borade Mala, Shirur,
Tal - Shirur, Dist. Pune -
412210, Maharashtra
Ph.: +91-9311285933

Maharashtra:
Gat No. 188/189,
Village- Karegaon,
Karde Road, Tal- Shirur,
Dist- Pune, 412210,
Ph.: +91-9311285933

Punjab:
E-180 Industrial Area
Phase 7, Mohali -
160059, Punjab,
Ph.: +91-9311266726

Haryana:
19A New Industrial
Township (N.I.T)
Fading, Faridabad -
121001, Haryana,
Ph.:+91-11-
40922226

15. 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;
16. Discussion with internal auditors of any significant findings and follow up thereon;
17. 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;
18. 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;
19. 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;
20. To review the functioning of the whistle blower mechanism;
21. Approval of appointment of chief financial officer (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
22. Carrying out any other function as is mentioned in the terms of reference of the audit committee; and
23. 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.
24. To formulate, review and make recommendations to the Board to amend the Terms of Reference of Audit Committee from time to time;
25. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
26. Reviewing the utilization of loans and/or advances from/investment by the Company in the subsidiaries 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;
27. The Audit Committee shall review compliance with the provisions of the SEBI Insider Trading Regulations, at least once in a financial year and shall verify that the systems for internal control under the said regulations are adequate and are operating effectively;
28. to consider the rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc. of the Company and provide comments to the Company's shareholders; and
29. Carrying out any other functions as provided under the provisions of the Companies Act, the SEBI Listing Regulations and other applicable laws, and carrying out any other functions as may be required / mandated and/or delegated by the Board as per the provisions of the Companies Act, 2013, SEBI Listing Regulations, uniform listing agreements and/or any other applicable laws or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties.

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), 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 shall be subject to review by the audit committee.
6. Statement of deviations:

Gujarat: Plot No. 2, Survey No.25, Wadnagar - Vasodara Road Village - Vasodara, Tal - Sanand, Dist - Ahmedabad Ph.: +91-9311285915	Tamilnadu: Plot No:- L-9/2, Sipcot Industrial Park, Mambakkam Village, Sriperumbudur, Kancheepuram Dist. TamilNadu - 602105 Ph.: +91-9311285919	Uttar Pradesh: E-119, 120, 121, 122 & 123 Site-B, Surajpur Industrial Area, Greater Noida - 201306, Uttar Pradesh, Ph.: +91-9311285911	Uttar Pradesh: Plot No. - 3B, Ecotech-II, Udyog Vihar, Greater Noida, Uttar Pradesh 201306, Ph.: +91-9319883364	Karnataka: No. 28/A-2 & 3, Vishweshwariah Indl. Area, Mahadevapura post, Bangalore - 560048, Karnataka Ph.: +91-11-40922226	Maharashtra: Gat. No. 381/382, Village - Wing, Tal - Khandala, Dist - Satara - 412801, Maharashtra, Ph.: +91-9311285925	Maharashtra: Gat. No. 1330/A/1, Borade Mala, Shirur, Tal. Shirur, Dist. Pune - 412210, Maharashtra Ph.: +91-9311285933	Maharashtra: Gat No. 188/189, Village- Karegaon, Karde Road, Tal- Shirur, Dist- Pune, 412210, Ph.: +91-9311285933	Punjab: E-180 Industrial Area Phase 7, Mohali - 160059, Punjab, Ph.: +91-9311266726	Haryana: 19A New Industrial Township (N.I.T) Fading, Faridabad - 121001, Haryana, Ph.:+91-11- 40922226
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- (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI Listing Regulations; and
- (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI Listing Regulations.
7. The financial statements, in particular, the investments made by any unlisted subsidiary; and
8. Such information as may be prescribed under the Companies Act and SEBI Listing Regulations.

The powers of the Audit Committee shall include the following:

- (a) to investigate any activity within its terms of reference;
- (b) to seek information from any employee of the Company;
- (c) to obtain outside legal or other professional advice; and
- (d) to secure attendance of outsiders with relevant expertise, if it considers necessary.
- (e) such powers as may be prescribed under the Companies Act and SEBI Listing Regulations