

RCL RETAIL LIMITED

AUDIT COMMITTEE

Constitution:

Every listed company shall constitute an Audit Committee, comprising a minimum of three directors, with Independent Directors forming a majority. Majority of members of Audit Committee including its Chairperson must have the ability to read and understand the financial statements.

ROLES AND RESPONSIBILITIES :

Recommendation for appointment, remuneration and terms of appointment of the auditors;

review and monitor auditor's independence and performance and effectiveness of the audit process;

Examination of the financial statement and auditor's report;

Approval or modification of related party transactions;

Scrutiny of inter corporate loans and investments;

Valuation of assets; – Evaluation of internal financial controls and risk management systems;

Monitoring of end use of funds of the public offers;

Vigil mechanism as prescribed by the Rules. Details of establishing the vigil mechanism will have to be disclosed on the company's web site and in the Director's report.

Right of access to Audit Committee chairperson under vigil mechanism

Discuss issues with internal and statutory auditors;

(a). Audit Committee to call for comments of the auditors about internal control systems, scope of audit including the observations of the auditors and review of the financial statements before submission to the board; –

(b). The auditors and the key management personnel will have a right to be present when the financial statements is considered by the Audit Committee but will not have a right to vote; and

(c). Every Audit Committee to have an authority to investigate into any matter in relation to the items specified above or referred to it by the board and for this purpose the Audit Committee also have the power to obtain professional advice from external sources and have full access to information contained in the records of the company.