



## Maxwell Engineering Solutions Limited

(Formerly known as Maxwell Engineering Solutions Private Limited)

Registered Address: Plot No. 939-940, Waghodia GIDC,  
Vadodara – 391760, Gujarat, India.  
Email: exports@maxwells.in, info@maxwells.in  
Phone Number: +91 96240 91901, +91 96385 42674  
Website: [www.maxwells.in](http://www.maxwells.in)

### Charter for Audit Committee

#### Nature of the Audit Committee:

The Audit Committee ['Committee'] of the Company is a Committee constituted by the Board of Directors of the Company ['Board'] out of its members in view of Section 177 of the Companies Act, 2013 ['the Act'] and Regulation 18 of the Securities and Exchange Board of India (Listing Obligations & Listing Requirements), 2015, as amended from time to time ['Listing Regulations'].

#### 1. Purpose:

The purpose of the Committee is to assist the Board of Directors in fulfilling its oversight responsibilities related to the company's financial reporting, internal controls, audit processes, risk management, and compliance with legal and regulatory requirements. The Committee's role is integral in ensuring transparency, accountability, and the integrity of the organization's financial reporting.

#### 2. Authority:

The Audit Committee derives its authority from the Board and is empowered to:

- Retain and dismiss the external auditors, subject to the recommendation to the Board and approval by shareholders as per applicable laws.
- Approve the scope of the external audit and review audit results.
- Review and recommend to the Board the approval of the Company's financial statements.
- Oversee the internal audit function, including its adequacy, effectiveness, and independence.
- Investigate any matters within the Committee's terms of reference, including internal control deficiencies or suspected fraud, and report such matters to the Board.
- Access all necessary information, records, and personnel to carry out its duties effectively, including obtaining outside legal or other professional advice.

#### 3. Composition and Membership:

The Audit Committee shall consist of a minimum of three directors with independent directors forming a majority:

Provided that majority of members of Audit Committee including its Chairperson shall be persons with ability to read and understand, the financial statement .The Company Secretary shall act as the Secretary to the Audit Committee.





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The Audit Committee is hereby constituted with the following members:

Sr. No.	Name of Member	Designation in the Company	Designation in the Committee
1.	Mr. Hitenkumar Jayantilal Prajapati	Independent Director	Chairman
2.	Ms. Puja Kasera	Independent Director	Member
3.	Mr. Vinubhai Kanjibhai Chavda	Whole-time Director	Member

### 4. Meetings:

- The Audit Committee shall meet as often as necessary subject to minimum 4 times in a Financial Year and not more than 120 days shall elapse between any two consecutive meetings at a predetermined place.
- Meetings may be scheduled more frequently depending on the needs of the company or at the discretion of the Chairperson.
- The quorum necessary for transacting business at a meeting of the Committee shall be 2 (two) members or one third of the members of the Audit Committee; whichever is greater, with at least two Independent Directors.
- Minutes of each meeting shall be recorded and shared with the Board. The Chairperson of the Audit Committee shall be present at the Annual General Meeting to answer shareholder queries.

### 5. Responsibilities and Duties:

The Audit Committee is responsible for overseeing the following:

#### 5.1 Financial Reporting:

- Review and recommend to the Board the approval of the company's annual and interim financial statements and the auditors' report thereon.
- Ensure that financial statements are prepared in compliance with applicable accounting standards, legal requirements, and company policies, including any changes in accounting policies and practices.
- Evaluate the consistency and transparency of financial disclosures, significant accounting policies, and major accounting entries involving estimates.
- Review significant adjustments made in the financial statements arising out of audit findings and any modified opinion(s) in the draft audit report.
- Oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient, and credible.





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### 5.2 Internal Controls:

- Oversee the adequacy and effectiveness of the company's internal control systems, including internal financial controls and risk management systems.
- Review the findings of internal audits, including any significant issues related to fraud, mismanagement, or inefficiencies.
- Ensure that management has established and implemented an effective system of internal controls and risk management.

### 5.3 External Audit:

- Recommend the appointment, reappointment, removal, remuneration, and terms of appointment of the external auditor to the Board.
- Review the external auditor's independence, performance, and the scope of the audit.
- Oversee the implementation of any recommendations made by the external auditors.
- Review the external audit plan, ensuring that it adequately addresses key risks and the effectiveness of internal controls.
- Discuss with the external auditor any significant concerns, including any material weaknesses, audit difficulties, or disagreements with management, before the audit commences and post-audit.

### 5.4 Risk Management:

- Oversee the company's risk management processes, ensuring that significant risks are identified and managed.
- Ensure that risk management policies and procedures are in place and operating effectively.
- Review and assess the effectiveness of the company's risk management framework.

### 5.5 Legal and Regulatory Compliance:

- Monitor the company's compliance with legal and regulatory requirements, including accounting, tax, and other relevant laws.
- Ensure that management is taking appropriate action to address compliance issues and risks.
- Review any significant litigation or legal claims involving the company.





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### 5.6 Whistleblower and Fraud Policies:

- Oversee the implementation and operation of the company's vigil mechanism/ whistleblower policies, ensuring adequate safeguards against victimization and direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.
- Review any reports or investigations regarding suspected fraud, illegal acts, or violations of the company's code of conduct.

### 6. Reporting to the Board:

- The Audit Committee shall report regularly to the Board on the outcomes of its activities and any findings, recommendations, or actions taken.
- The Committee shall provide the Board with an assessment of the company's internal controls, risk management framework, and overall financial reporting quality.

### 7. Performance Evaluation:

- The Audit Committee shall annually assess its own performance and the effectiveness of its policies and procedures.
- The Committee shall review this charter annually and propose any necessary amendments to the Board.

### 8. Confidentiality:

Members of the Audit Committee are required to maintain the confidentiality of all matters discussed and any information received during the course of their work.

Changes in the governing laws:

Any changes in the governing laws such as the Act, SEBI (LODR), the Accounting Standards and the other laws and the rules, notifications, and guidelines, if any, issued/framed thereunder, and applicable to the Company and its operations which has an effect of enlarging the scope of the role of the Committee shall automatically be deemed to enlarge the role of the Committee provided herein above.

### 9. Review of Charter:

This charter shall be reviewed annually by the Audit Committee to ensure its relevance and effectiveness. Any changes shall be submitted to the Board for approval.

