

RAJ POLYPACK LIMITED

Audit Committee Policy

(Policy approved by the Board of Directors on September 25, 2025)

1. Introduction

This Audit Committee Policy has been formulated in compliance with the provisions of Section 177 of the Companies Act, 2013 and other applicable laws. The purpose of this Policy is to define the roles, responsibilities, and functioning of the Audit Committee of the Company.

2. Objective

The primary objective of the Audit Committee is to:

- Assist the Board in fulfilling its oversight responsibilities.
- Monitor the integrity of financial statements.
- Review the adequacy of internal control systems and risk management.
- Ensure compliance with legal and regulatory requirements.
- Oversee the performance of internal and external auditors.

3. Constitution of Audit Committee

The Audit Committee shall be constituted by the Board of Directors in accordance with the Companies Act, 2013 and other applicable laws. It shall comprise:

- A minimum of **three directors**.
- The majority of members shall be **independent directors**.
- All members shall be financially literate, and at least one member shall have accounting or related financial management expertise.

The Chairperson of the Committee shall be an Independent Director and shall be present at the Annual General Meeting to answer shareholder queries.

4. Meetings

- The Committee shall meet at least **four times in a financial year**.
- The **gap between two meetings** shall not exceed **120 days**.
- The **quorum** shall be **either two members or one-third of the members**, whichever is greater, with at least **one Independent Director** present.

5. Role and Responsibilities

The Audit Committee shall have the following responsibilities:

5.1 Financial Statements

- Review financial statements before submission to the Board.
- Examine accounting policies, practices, and standards.

- Review auditor observations and management responses.

5.2 External Audit

- Recommend the appointment, remuneration, and terms of appointment of statutory auditors.
- Review the scope and performance of auditors.
- Discuss audit reports with the auditors and management.

5.3 Internal Audit and Controls

- Review internal audit plans and findings.
- Monitor the effectiveness of the internal control system.
- Review the functioning and independence of the internal audit team.

5.4 Risk Management

- Evaluate financial and operational risks.
- Review risk mitigation strategies.

5.5 Related Party Transactions

- Review and approve or recommend related party transactions.

5.6 Whistleblower Mechanism

- Review the functioning of the vigil mechanism.
- Ensure protection for whistleblowers.

5.7 Compliance

- Monitor compliance with applicable laws and regulatory requirements.

6. Authority

The Committee shall have the authority to:

- Investigate any matter within its terms of reference.
- Seek information from any employee.
- Obtain external legal or professional advice.
- Have full access to the company's records and personnel.

7. Reporting

The Audit Committee shall report its findings, observations, and recommendations to the Board periodically and as required.

8. Review of the Policy

This policy shall be reviewed annually or as required, and any changes shall be approved by the Board of Directors.