NICCO PARKS & RESORTS LIMITED

AUDIT COMMITTEE CHARTER

1. Purpose

The Audit Committee's primary purpose is to oversee the financial reporting process, the audit process, the system of internal controls and compliance with applicable laws and regulations. The role of the Audit Committee flows directly from the Board of Directors' overview function, which holds the Management accountable to the Board and the Board, in turn, accountable to the shareholders.

The primary role of the committee is to oversee

(i) the financial reporting and disclosure process;

(ii) compliance with the all the applicable legal and regulatory requirements;

(iii) qualification and independence of the Statutory and Internal Audit team; and

(iv) adequacy and reliability of the internal control systems, especially those relating to the reporting of the Company's financials.

2. Composition

i. The Audit Committee shall be constituted in compliance with the requirements of the applicable sections of the Companies Act, 2013 and the rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

ii. All members of Audit Committee shall be 'financially literate' (which means the ability to read and understand basic financial statements) and at least one member shall have accounting or related financial management expertise (which means he or she possesses experience in finance or accounting or any other comparable experience or background).

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

3. Secretary

The Company Secretary shall act as the Secretary to the Committee.

4. Meetings

i. The Committee shall meet at least 4 times in a year and not more than one hundred and twenty days shall elapse between two meetings.

ii. The Committee at its discretion may invite the Chief Financial Officer or head of the finance function, representatives of the Internal Auditors and Statutory Auditorsor any other such executives. However, the right to vote shall vest only with the members of the Committee.

iii. The Committee may also periodically meet in executive sessions, in the absence of the Company's management.

iv. The Committee may also seek professional advice/certification/expert opinion on its own discretion.

5. Quorum

The quorum necessary for transacting business at a meeting of the Committee shall be two members or one-third of the total members of the Audit Committee; whichever is greater, with at least two Independent Directors.

6. Minutes of Committee Meeting

Proceedings of all meetings must be minuted and such minutes shall be signed either by the Chairman of that meeting or by the Chairman of the subsequent meeting.The Minutes of the meeting will be tabled at the subsequent meeting for its confirmation.

7. Terms of Reference

The responsibilities of the Audit Committee inter-alia shall include the following:

I. Financial Statements

a. Reviewing and monitoring the integrity of the Company's quarterly and annual financial statements i.e whether the financial statements of the Company represents a true & fair view;

b. Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

c. Review with the management the annual financial statements and Auditors' Report thereon before submission to the Board for approval, with particular reference to:

   i. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of section 134(3)(c) of the Companies Act, 2013.

   ii. Any changes in accounting policies and practices and reasons for the same.

   iii. Major accounting entries involving estimates based on exercise of judgment by management.

   iv. Modified opinions, if any, in the draft Audit Report.

   v. Significant adjustments made in the financial statements arising out of audit findings.

   vi. Compliance with listing and other legal requirements relating to financial statements.

   vii. Disclosure of any related party transaction.

d. Review the Management Discussion and Analysis of financial condition and results of operations.

e. To review and scrutinize the Inter-Corporate Loans & Investments.

f. To monitor the end use of funds raised through public offers and related matters.

g. To review valuation of the undertaking or assets of the Company whenever required.

II. External Auditors

a. Recommend to the Board, the appointment, re-appointment, removal of the Statutory & Internal Auditors, Tax Auditors, fixation of audit fees and also approval for payment for any other services rendered by the auditors.

b. Discuss with Statutory / Internal Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

c. Monitoring and reviewing the independence and performance of both the Statutory and Internal auditors and effectiveness of the Audit process

d. Review with the management and the Auditors, any audit problems or difficulties and management's response.

III. Internal Audit

a. Review on a regular basis the adequacy of internal audit function and approval of the audit plan & its execution and the scope of internal audit.

b. Review the regular internal reports to management prepared by the internal auditors, as well as the management's response thereto.

c. Review 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.

d. Discuss with internal auditors any significant findings and follow-up thereon.

IV. Internal Control

a. Review with the management and the auditors, the adequacy of internal financial control systems and ensure adherence thereto and any other related issues.

b. Review Management letters / letters of internal control weaknesses issued by statutory / internal auditors.

c. Review Internal Audit Reports relating to the internal control weaknesses.

d. Evaluation of Internal Financial Controls related to financial statements.

V. Vigil Mechanism (Whistle Blower Policy):

The Committee shall oversee the Vigil Mechanism or Whistle Blower Policy established by the Company for its Directors and Employees to report genuine concerns of unethical behavior, actual or suspected, fraud or violation of the Company's Code of Conduct. The mechanism shall provide adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. In case of any conflict of interest, the Committee Members would disassociate themselves from such investigation and the others on the Committee would deal with the matter.

VI. Risk Management:

a. Evaluating Risk Management System.

b. Discuss with the management, the Company's policies with respect to risk assessment and risk management.

c. The Company shall place before the Audit Committee a risk register,on a periodic basis, clearly specifying the risks associated with the running and operation of the business of the Company and the steps that may be adopted by the management for the mitigation of such risks.

VII. Related Party transactions

a. Approving the related party transactions as per the Statements submitted by the management to the Committee.The Audit Committee may also adopt an omnibus approval for the related party transactions proposed to be entered into by the Company as mentioned in the Companies Act, 2013 as amended from time to time.

b. The following details shall be placed periodically before the Audit Committee relating to the related party transactions:

- A statement in summary form of transactions entered with related parties in the ordinary course of business and on arm's length basis.
- Details of individual transactions with related parties which are not in the normal course of business,together with Management's justification for the same.
- Details of individual transactions with related parties, which are not on arm's length basis, together with Management's justification for the same.
- Approval of all or any subsequent modification of transactions with related parties.

8. Reporting

- The Boards' Report of the Company shall disclose the composition of the Audit Committee, names of members, Chairperson, meetings and attendance.
- If the Board does not accept any of the recommendations of the Audit Committee, it shall record the reasons thereof in the Boards' Report.
- The details of the vigil mechanism shall be disclosed in the Boards' Report as well on the website of the Company.

9. Other Functions

The Audit Committee shall:

a. Perform such other activities as may be requested by the Board of Directors.

b. Carry out such other additional functions as may be specified in the Companies Act, 2013 and the rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other laws or regulatory requirements applicable to the Company.

10.Amendment

The Company reserves the right to amend or modify the charter of the Audit Committee as and when required, in compliance with the laws and regulations applicable to the Company and such amendment will be effective only after the approval of the Board of Directors.