CHARTER FOR THE AUDIT COMMITTEE OF
PIPELINE INFRASTRUCTURE LIMITED

I. OBJECTIVE

The objective of the Audit Committee ("Committee") of the Board of Directors ("Board") of Pipeline Infrastructure Limited ("Company") is to assist the Board with oversight of:

- the accuracy, integrity and transparency of the Company's financial statements with adequate and timely disclosures;
- the Company's auditors' qualifications, independence, scope of work;
- the performance of the Company's independent auditors and internal auditors; and
- loans and investments made by the Company.

The Committee shall undertake this function by reporting its findings and making recommendations to the Board. Further, should the Board not accept any recommendation of the Committee, the same shall be noted in the Board's Report.

The constitution, quorum, role, responsibilities and powers of the Committee shall be in accordance with provisions of section 177 of the Companies Act, 2013 and rules made thereunder as amended from time to time ("Act"), provisions of Regulation 62F of Chapter VA read with Part C of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and applicable provisions of Secretarial Standard on Meetings of Board of Directors ("SS-1") and any amendments thereto from time to time.

II. COMMITTEE CONSTITUTION

- The Committee of the Board shall be formed pursuant to section 177 of the Act and regulation 62F of Chapter VA of the SEBI Listing Regulations.

- The Committee shall consist of minimum 3 directors as its members with atleast 2/3rd independent directors.

- All members of the Committee shall be financially literate (i.e. persons with ability to read and understand basic financial statements) and atleast 1 member shall have accounting or related financial management expertise.

- The members and Chairperson of the Committee shall be appointed by the Board at its sole discretion. The Chairperson of the Committee shall be an independent director.

III. FREQUENCY OF MEETINGS AND QUORUM

- The Committee shall meet at least 4 times in a financial year.
- The quorum for the Committee meeting shall be two members or one-third of the members of the Committee, whichever is higher, with atleast 2 independent directors.
- Not more than one hundred and twenty days shall elapse between two consecutive meetings

IV. ROLES AND RESPONSIBILITIES

Key functions and responsibilities of the Committee shall include the following:

i. Oversight of the financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible.

Reviewing, with the Management, the annual financial statements and the auditor's report thereon and 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 and such other matters as specified under clause 4 of Para A of Part C of Schedule II of SEBI Listing Regulations, before submission to the Board and advise the Board on the findings of the Committee.

ii. Reviewing, with the Management, the quarterly financial results before submission to the Board and advise the Board on the findings of the Committee.

iii. To consider and recommend to the Board, the appointment (including filling of a casual vacancy), noting of resignation, dismissal, remuneration and terms of appointment (including qualification and experience) of the Statutory Auditor, Internal Auditors/ Chief Internal Auditor, Cost Auditor and Secretarial Auditor.

iv. To consider and approve payment to statutory auditors for any other services rendered by them.

v. To review and monitor the auditor's independence and performance, and effectiveness of audit process; and report its findings to the Board.

vi. Reviewing, with the Management, performance of statutory and internal auditors, and adequacy of the internal control systems.

vii. Reviewing the adequacy of internal audit function, 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 and reporting its findings to the Board.

viii. Discussion with internal auditors of any significant findings and follow up there on and reporting its findings to the Board.

ix. 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 SEBI.

x. Review of management letters/letters of internal control weaknesses issued by the Statutory Auditors.

xi. Review of internal audit reports relating to internal control weaknesses.

xii. To scrutinize any inter-corporate loans and investments and report its findings to the Board.

xiii. To review the annual budget and business plan and material variance thereof.

xiv. Valuation of undertakings or assets of Company, wherever necessary and report its findings to the Board.

xv. Evaluation of effectiveness of internal financial controls and risk management systems and report its findings to the Board.

xvi. Review compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, at least once

in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

xvii. To review the functioning and effectiveness of the whistle blower/ vigil mechanism and report its findings and make recommendations for improvement to the Board (unless in exceptional circumstances it is inappropriate to do so).

xviii. Reviewing, with the Management, the statement of uses/application of funds raised through and issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for the purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency for the utilization of proceeds of a public or rights issue or preferential issue or qualified institutional placement, and thereafter reporting its findings and making appropriate recommendations to the Board.

xix. The Committee may call for comments of the auditors about the internal control systems, nature and scope of the Audit, including the observations of the Auditors and review of the financial statements before their submission to the Board and as well as post-audit discussion to ascertain any area of concern or any related issues with the Internal and Statutory Auditors and the Management of the Company.

xx. 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.

xxi. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate.

xxii. To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc.

xxiii. Review of management discussion and analysis of financial condition and results of operations and recommending the same to the Board.

xxiv. Reviewing and approving the policy on materiality of related party transactions and on dealing with related party transactions ("RPT Policy") developed by the Management and recommending the same to the Board for adoption.

xxv. Prior approval for all related party transactions or any subsequent modification of transactions of the company with related parties. and recommend the same to the Board. The Committee shall also define the term "material modification" as a part of the RPT Policy.

xxvi. To grant omnibus approval for related party transactions proposed to be entered into by the Company. and make appropriate recommendations to the Board.

xxvii. Review on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given.

xxviii. Carrying out such other function as the Board may direct the Committee, from time to time.

xxix. The Chairperson of the Committee or, in his absence, any other member of the Committee authorised by him in this behalf, shall attend all the general meetings of the Company, including annual general meeting.

V. POWERS OF THE COMMITTEE

The Committee shall have the following authorities as empowered by the Board:

(i) To investigate into any of the matters specified in this Charter;
(ii) To have access to adequate resources which are required to perform its duties;
(iii) To have full and unrestricted access to any information and records pertaining to the Company which may be necessary to fulfil its role;
(iv) To have direct communication channels with all directors and employees of the Company;
(v) To obtain independent professional advice from external sources, as may be necessary; and
(vi) To engage such external professionals/consultants, advisors as may be required by the Committee to discharge its responsibilities.

VI. INVITEES

The Committee may invite other Directors/ officers of the Company or other external subject experts to attend the meetings of the Committee as "Invitees" from time to time, as and when required. Provided that occasionally, the committee may meet without the presence of any executives of the Company.

Notwithstanding this invitation provision, any Director of the Company shall have the right to attend Committee meetings and have access to all documentation provided to the members of the Committee.

VII. CIRCULAR RESOLUTION

The decisions to be taken by the Committee may be taken by way of a Circular Resolution whenever it is not possible to have a meeting of the Committee, subject to compliance with the applicable provisions of the Act and SS-1.

VIII. SECRETARY

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

IX. MINUTES

The Company Secretary of the Company shall maintain the minutes of the meetings of the Committee.

Minutes of the Committee meetings shall be placed before the Board at its subsequent meeting, for noting and taking the same on record as per the requirement under the Act and SS-1.

X. REVIEW

An annual review of performance of the Committee shall be conducted by the Board in consultation with the Chairperson of the Committee.

The Board shall have the sole right to review this Charter periodically and make appropriate changes as and when necessary.

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