

Audit Committee

The Company has formed an Audit Committee pursuant to resolution of **Board of Directors dated January 12, 2002** as per the requirements of the SEBI (LODR) Regulations and the Companies Act. Pursuant to a resolution of our Board dated May 27, 2025, the Audit Committee was reconstituted on May 27, 2025.

The Audit Committee comprises of the following:

Sr. No.	Name of Member	Designation	Nature of Directorship
1	Dr. Arun Kumar Oraon	Chairman	Non-Official Independent Director
2	Sanjay Kumar	Member	Non-Official Independent Director
3	Sanoj Kumar Jha	Member	Part time Official Director
4	Debasish Nanda	Member	Part time Official Director
5	Sanjay Kumar Singh	Member	Director (Technical)
6	Manoj Kumar Agarwal	Member	Director (Technical)
7	Rakesh Kumar Sahay	Permanent Invitee	Director (Finance) and Chief Financial Officer

B.K. Parui, Company Secretary, BCCL acts as the secretary of the Audit Committee.

The scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013, read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 18 of the SEBI (LODR) Regulations, 2015 as amended and approved by our Board pursuant to its **resolution dated May 27, 2025**. Below is the scope, functions and the terms of reference of our Audit Committee:

Terms of Reference for the Audit Committee:

The Audit Committee shall be responsible for, among other things, as may be required by the DPE guidelines on corporate guidelines from time to time, the following:

Powers of Audit Committee

The Audit Committee shall have powers, including the following:

- (1) to investigate any activity within its terms of reference
- (2) to seek information from any employee
- (3) to obtain outside legal or other professional advice; and
- (4) to secure attendance of outsiders with relevant expertise, if it considers necessary; and
- (5) such other powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

Role of Audit Committee

The role of the Audit Committee shall include the following:

- (1) oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;
- (2) To take note of the appointment and the terms of appointment of the auditors of the Company by the Comptroller and Auditor General of India (“CAG”).
- (3) Recommending to the Board the fixation of audit fees, based on the order/instructions of the CAG;
- (4) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (5) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. 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
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management

- d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions; and
 - g. Modified opinion(s) in the draft audit report.
- (6) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- (7) reviewing with the management, performance of Statutory and Internal Auditors and adequacy of the internal control systems.
- (8) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the issue document / prospectus / notice, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;
- (9) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (10) approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed
- Explanation:** The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.
- (11) reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
- (12) scrutiny of inter-corporate loans and investments;
- (13) valuation of undertakings or assets of the Company, wherever it is necessary;

- (14) evaluation of internal financial controls and risk management systems;
- (15) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (16) reviewing the adequacy of internal audit function, if any, 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;
- (17) discussion with internal auditors of any significant findings and follow up thereon;
- (18) 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 Board;
- (19) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (20) recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
- (21) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (22) reviewing and monitoring the functioning of the whistle blower mechanism;
- (23) monitoring the end use of funds raised through public offers and related matters;
- (24) overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee, providing for adequate safeguards against victimisation of employees and directors who avail of the vigil mechanism and directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
- (25) approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- (26) To review the follow up action on the audit observations of CAG Audit.

(27) To review the follow up action taken on the recommendations of Committee on Public Undertakings (COPU) of the Parliament.

(28) Provide an open avenue of communication between the independent auditor, internal auditor and the Board of Directors.

(29) The Audit Committee shall mandatorily review the following information:

- I. Management discussion and analysis of financial condition and results of operations.
- II. Management letters / letter of internal control weaknesses issued by the Statutory Auditors.
- III. Internal audit reports relating to internal control weaknesses.
- IV. The appointment, removal and terms of remuneration of the Chief internal auditor shall be placed before the Audit Committee.
- V. Certification/ declaration of financial statements by the Chief Executive/ Chief Finance Officer to be designated by the Board.
- VI. Statement of deviations in terms of the SEBI Listing Regulations:
 - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the SEBI Listing Regulations;
 - b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of the SEBI Listing Regulations

(30) carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

(31) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders and

(32) Carrying out any other function as prescribed under the DPE Guidelines, Companies Act and Listing Regulations, as applicable to the Company from time to time and any other function as deemed appropriate or determined by the Board from time to time in the best interest of the Company and other stakeholders of the Company.

We further confirm the following:

- (i) all the members of the Audit Committee are financially literate and at least one member has accounting or related financial management expertise, namely Sh. Rakesh Kumar Sahay, MBA Finance;
- (ii) the chairman of the Audit Committee is an independent director and he shall be present at the Annual general meeting to answer shareholder queries;
- (iii) the Company Secretary of the Company is the secretary of the Audit Committee, namely Sh. Bani Kumar Parui.

As required under the SEBI (LODR) Regulations, 2015, the Audit Committee shall meet at least four times in a year, and not more than one hundred and twenty days shall elapse between two meetings. The quorum shall be two members present, or one third of the members, whichever is greater, provided that there should be a minimum of two independent directors present.

