

# BOARD COMMITTEES

## Audit Committee

### Constitution:

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|-------------------------|--------------------------|------------|
| 1. Mr. Kamlesh Vikamsey | - Independent Director   | - Chairman |
| 2. Mr. Birendra Kumar   | - Independent Director   | - Member   |
| 3. Mr. Ramesh Abhishek  | - Non-executive Director | - Member   |

### Terms of Reference:

A. The role of the Audit Committee shall include the following:

- (1) oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- (3) examination of the financial statement and the auditors' report thereon;
- (4) monitoring the end use of funds raised through public offers and related matters
- (5) approval of payment to the statutory auditors for any other services rendered by the statutory auditors;
- (6) 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;
  - (g) modified opinion(s) in the draft audit report;

- (7) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (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 offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (9) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (10) approval or any subsequent modification of transactions of the listed entity with related parties;
- (11) scrutiny of inter-corporate loans and investments;
- (12) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (13) evaluation of internal financial controls and risk management systems;
- (14) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (15) 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;
- (16) discussion with internal auditors of any significant findings and follow up there on;
- (17) 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;
- (18) 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;
- (19) 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;
- (20) to review the functioning of the whistle blower mechanism;
- (21) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

- (22) Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- (23) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- (24) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

**B. The Audit Committee shall mandatorily review the following:**

- (25) review the management discussion and analysis of financial condition and results of operations;
- (26) statement of significant (material) related party transactions (as defined by the audit committee), submitted by management;
- (27) management letters / letters of internal control weaknesses issued by the statutory auditors;
- (28) internal audit reports relating to internal control weaknesses; and
- (29) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- (30) statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

## Nomination and Remuneration Committee

### Constitution:

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|--------------------------|--------------------------|------------|
| 1. Mr. Kamlesh Vikamsey  | - Independent Director   | - Chairman |
| 2. Mr. Birendra Kumar    | - Independent Director   | - Member   |
| 3. Mr. Nikhil Srivastava | - Non-executive Director | - Member   |

### Terms of Reference:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel, and other employees;
2. for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge, and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates.
3. formulation of criteria for evaluation of performance of independent directors and the board of directors;
4. devising a policy on diversity of board of directors;
5. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal and shall carry out evaluation of every director 's performance.
6. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
7. recommend to the Board, all remuneration, in whatever form, payable to senior management.

8. to act as the Compensation Committee under the applicable SEBI (Share Based Employee Benefits and Sweat Equity), Regulations, 2021 and any statutory amendment or modification thereto;
9. to ensure 'fit and proper' status of proposed/existing directors as required
10. to perform such other functions as may be prescribed by the Board of Directors from time to time.
11. to ensure there is no conflict of interest in the appointment of directors on Board of the company, KMPs and senior management;
12. to work in coordination with Risk Management Committee (RMC) of the company to achieve effective alignment between compensation and risks; and
13. to ensure that compensation levels are supported by the need to retain earnings of the company and the need to maintain adequate capital based on Internal Capital Adequacy Assessment Process (ICAAP).

## Corporate Social Responsibility Committee

### Constitution:

1.	<b>Mr. Tushar Agrawal</b>	<b>- Executive Director and CEO</b>	<b>- Member</b>
2.	<b>Mr. Birendra Kumar</b>	<b>- Independent Director</b>	<b>- Member</b>
3.	<b>Mr. Nikhil Srivastava</b>	<b>- Non-executive Director</b>	<b>- Member</b>

### Terms of Reference:

- Identify the persons who can become directors;
- Formulate and recommend to the Board, a CSR Policy (the Policy) which shall indicate the activities to be undertaken by the company for CSR as specified in Schedule VII;
- Recommend the amount of expenditure to be incurred on the CSR activities; and
- Monitor the Policy of the company from time to time.

## Risk Management Committee

### Constitution:

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|----------------------------|--------------------------|------------|
| 1. Mr. Nikhil Srivastava   | - Non-executive Director | - Chairman |
| 2. Mr. Birendra Kumar      | - Independent Director   | - Member   |
| 3. Chief Financial Officer |                          | - Member   |
| 4. Chief Risk Officer      |                          | - Member   |
| 5. Chief Executive Officer |                          | - Member   |

### Terms of Reference:

- To lay down procedures regarding managing and mitigating the risk through Integrated Risk Management Systems, Strategies and Mechanisms;
- To deal with issues relating to credit policies and procedure and manage the credit risk, operational risk, management of policies and process;
- Identifying, measuring and monitoring the various risk faced by the Company, assist in developing the Policies and verifying the Models that are used for risk measurement from time to time;
- To monitor the progress made in putting in place a progressive risk management system and risk management policy and strategy followed by the NBFC;
- Promoting an enterprise risk management competence throughout the organisation, including facilitating development of IT-related enterprise risk management expertise;
- Establishing a common risk management language that includes measures around likelihood and impact and risk categories;
- To evaluate and oversee the liquidity risk of the Company;
- To ensure that appropriate methodology, processes and systems are in place to identify, monitor, control, mitigate and evaluate risks associated with the business of the Company and functioning of the Company;
- To have oversight over implementation of risk Management Policy, including evaluating the adequacy of risk management systems and other policies including Anti Money Laundering and KYC (Know your Customer) Policies;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;



- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
- To institute effective governance mechanism and risk management process for all outsourced operations/activities.
- To review and approve the activities pertaining to the Outsourcing activities as required under RBI regulations including review of financial and operational condition of the service provider to assess its ability to meet its obligations on an annual basis.

## Asset Liability Management Committee

### Constitution:

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|----|---------------------------------------|---|------------|
| 1. | Mr. Tushar Agrawal                    | - Executive Director and<br>Chief Executive Officer | - Chairman |
| 2. | Mr. Nikhil Srivastava                 | - Non-executive Director                            | - Member   |
| 3. | Mr. Riyaz Marfatia                    |   | - Member   |
| 4. | Chief Financial Officer               |   | - Member   |
| 5. | Chief Technology/ Information Officer |   | - Member   |

### Terms of Reference:

- Monitoring the asset liability gap;
- Strategizing action to mitigate risk associated with the asset liability gap;
- Developing risk policies and procedures and verifying adherence to various risk parameters and prudential limits;
- Reviewing the risk monitoring system; and
- Ensure that credit exposure to any one group does not exceed the internally set limits as well as statutory limits set by RBI.

## I.T. Strategy Committee

### Constitution:

- |    |                                       |                      |            |
|----|---------------------------------------|----------------------|------------|
| 1. | Mr. Birendra Kumar                    | Independent Director | - Chairman |
| 2. | Chief Risk Officer                    |                      | - Member   |
| 3. | Chief Executive Officer               |                      | - Member   |
| 4. | Chief Financial Officer               |                      | - Member   |
| 5. | Chief Technology/ Information Officer |                      | - Member   |

### Terms of Reference:

- Approving IT strategy and policy documents, within the framework approved by the Board, and ensuring that the management has put an effective strategic planning process in place;
- Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;
- Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;
- Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources;
- Ensuring proper balance of IT investments for sustaining NBFC's growth and becoming aware about exposure towards IT risks and controls;
- Review the functioning of IT Steering Committee;
- Apprise/report to the Board periodically and also report on particular matters to Audit Committee or Risk Management Committee, as required;
- Discharging any other roles and responsibilities stipulated under the regulatory directives as amended from time to time.

## Stakeholder Relationship Committee

### Constitution:

1.	<b>Mr. Ramesh Abhishek</b>	- Non-executive Director	- Chairman
2.	<b>Mr. Ashish Kehair</b>	- Non-executive Director	- Member
3.	<b>Mr. Birendra Kumar</b>	- Independent Director	- Member

### Terms of Reference:

- 1) resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- 2) review of measures taken for effective exercise of voting rights by shareholders.
- 3) review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- 4) review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of as may be specified by the Board from time to time.