INTERNAL GUIDELINES ON CORPORATE GOVERNANCE

OF

BRANCH INTERNATIONAL FINANCIAL SERVICES PRIVATE LIMITED

Version Control

Version	Date of Approval/Revision	Approved By
V 1.0	30th May 2025	Board of Directors
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1. PREAMBLE

As per Reserve Bank of India (Non-Banking Financial Company – Governance) Directions, 2025, Company is required to frame its internal guidelines on corporate governance (“**Policy**”) with the approval of the Board of Directors, enhancing the scope of the guidelines without sacrificing the spirit of the instructions underlying the guidelines in Para 40 of Chapter IV including Chapter III of the aforesaid Directions and it shall be published on the Company's website for the information of various stakeholders. Accordingly, with reference to the aforesaid Direction, Branch International Financial Services Private Limited (“**Company**”) has formulated this Policy.

The Company believes that sound corporate governance practices are critical for the functioning of the Company and to create a trustworthy, transparent, moral & ethical (both internal and external) environment. The Company ensures good governance through the implementation of effective policies and procedures, which are mandated and regularly reviewed by the Board of Directors of the Company (“**Board**”) or by the Committees duly constituted by the Board, as the case may be.

2. DEFINITIONS

a. **“Applicable Laws”** means the RBI Directions, the Companies Act, 2013 and the rules/regulations issued thereunder.

b. **“Board”** means Board of Directors of the Company.

c. **“Committee”** means the committee duly constituted by the Board, either as per Applicable Laws or otherwise, to:
   i. performs the functions and responsibilities as per Applicable Laws,
   ii. perform the functions and responsibilities delegated by the Board for effective management and control of the business operations of the Company from time to time,
   iii. To advise and/ or make recommendations to the Board or key stakeholders.

d. **“Senior Management”** means personnel of the Company who are members of the core management/Leadership team, excluding Board of Directors, comprising all members of management one level below the executive directors, including the functional heads.

e. **“Interested Director”** means every director of a company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into
   - with a body corporate in which such director or such director in association with any other director, holds more than two per cent. shareholding of that body corporate, or is a promoter, manager, Chief Executive Officer of that body corporate; or
   - with a firm or other entity in which such director is a partner, owner or member, as the case may be .

3. BOARD OF DIRECTORS

The Board will provide leadership and strategic guidance to the Company's management and will play a crucial role in matters relating to the formulation/approval/review of various policies. The Board will act honestly, in good faith, and in the best interests of the Company. The Board is responsible for establishing vision, mission and values for determining the goals of the Company from time to time, setting strategy and structure and deciding the means to support and implement them, determining monitoring criteria to be used, ensuring the effectiveness of internal controls and exercising accountability to shareholders.

A. Constitution:

The composition of the Board will be governed by the Articles of Association of the Company read with the applicable provisions of the Companies Act, 2013 in conjunction with the RBI Master Directions, Scale Based Regulations and sub-circulars issued thereunder. It shall have an optimum combination of executive, non-executive and independent directors in line with the Applicable Laws and Articles of Association of the Company, as amended from time to time. All the directors shall make the necessary annual disclosures in the first Board meeting in every financial year regarding their concern or interest in any company or bodies corporate, firms, or other association of individuals including shareholding and directorship positions. Further, the director shall at the first meeting of the Board in which he participates as a director and whenever there is any change in the disclosures already made, then at the first Board meeting held after such change, disclose his concern or interest by giving a notice in writing in Form MBP-1.

B. Roles & Responsibilities:

The Board is responsible for overseeing compliance with all relevant policies and procedures by which the Company operates and ensuring that the Company operates in compliance with all applicable laws and regulations, adhering to the highest ethical and moral standards. The Board shall monitor the "Financial Performance" of the Company and shall ensure that the financial results are prepared in accordance with the applicable laws and reported to shareholders and regulators on time. Each member of the Board shall adhere to the following to support the existence of a good Corporate Governance environment:

a. Shall attend the meetings of Board and/or Committees as required regularly and participate in the deliberations and discussions effectively.

b. Shall review the agenda papers, notes and minutes of the Board and/or Committee meetings.

c. Shall review and approve key policies of the Company.

d. Shall ensure confidentiality of the Company's agenda papers, notes and minutes. Shall ensure that employees are given adequate autonomy within a well-defined and controlled operational framework to discharge their responsibilities and perform their duties in a disciplined manner with utmost integrity and through good conduct

e. Shall review the Compliance Certificate as and when presented at the Board Meeting as received from the Management/Compliance Officer.

C. Duties and Responsibilities:

In accordance with the provisions of Section 166 of the Companies Act, 2013 and as a matter of corporate governance, the directors of the Company have the following duties: -

a. A director of a company shall act in good faith in order to promote the objects of the company for the benefit of its members as a whole, and in the best interests of the company, its employees, the shareholders, the community and for the protection of the environment.

b. A director of a company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.

c. A director of a company shall not be involved in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.

d. A director of a company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.

e. A director of a company shall not assign his office and any assignment so made shall be void.

D. Meetings of the Board:

At least four meetings of the Board shall be held in a year. The maximum time gap between any two meetings shall not be more than one hundred and twenty days or as extended by the regulator under Applicable Laws from time to time. The meetings of the Board can be convened either in person or through audio-video means as permitted under Applicable Laws.

E. Chairperson of the Meeting:

In every meeting, the members present shall elect one of themselves to chair and conduct the meeting.

F. Quorum:

a. The quorum for the meeting of the Board shall be one-third of the total strength of the Board or two directors, whichever is higher, and the participation of the directors by video conferencing or by other audio-visual means shall also be reckoned for the purpose of quorum.

b. The Quorum shall be present not only at the time of commencement of the Meeting but also while transacting business.

c. The Interested Director may participate in the meeting after disclosing his / her interest pursuant to Section 184 of the Companies Act, 2013 and may also be counted towards quorum for such meeting.

4. COMMITTEES OF THE COMPANY

To have close supervision on areas/ activities that are critical from compliance or business perspective, expedite decision making, operational convenience and to ensure accountability, transparency and fairness, the Board has implemented an appropriate structure in the form of various Committees with defined terms of reference /scope and delegated requisite powers to respective Committees. The Terms of Reference (TOR), roles and responsibilities of such Committees are governed by their respective charters and the Company policies duly approved by the Board of Directors and shall be aligned from time to time in accordance with regulatory changes and business requirements, subject to the approval of the Board.

Details of the committees are as under:

A. <u>Audit Committee</u>

The Audit Committee shall consist of not less than two-third members as Independent Directors with the Chairman also being an independent Director. The Committee shall meet quarterly, but at least 4 times a year. The quorum for the meeting shall be 1/3rd of total members or 2 members whichever is higher, including at least one Independent Director. The Committee shall be governed by the provisions of the Companies Act, RBI regulations and terms of reference of the Committee as approved by the Board.

Composition of Audit Committee: As approved by the Board of Directors from time to time.

Term of Reference of Audit Committee: Please refer Annexure-A.

B. Nomination and Remuneration Committee (‘NRC’)

The NRC shall consist of at least three non-executive directors with not less than two-third being independent directors including the Chairperson. The NRC shall meet at least once in a year. The quorum for the meeting shall be 1/3rd of total members or 2 members, whichever is higher, including at least one Independent Director. The Committee shall be governed by the provisions of the Companies Act, RBI regulations and terms of reference of the Committee.

Composition of Nomination and Remuneration Committee: As approved by the Board of Directors from time to time.

Term of Reference of Nomination and Remuneration Committee: Please refer Annexure-B.

C. Risk Management Committee (‘RMC’)

The RMC shall constitute members from Board and Senior Management. Two members present in the meeting shall form quorum for the meeting. The RMC shall meet quarterly and shall be responsible for evaluating the overall risks faced by the NBFC including liquidity risk and shall report to the Board. The Committee shall be governed by the provisions of the RBI guidelines and terms of reference of the Committee.

Composition of Risk Management Committee: As approved by the Board of Directors from time to time.

Term of reference of Risk Management Committee: Please refer Annexure-C.

D. Corporate Social Responsibility Committee (‘CSR Committee’)

The CSR Committee shall consist of a minimum of 3 (three) members as approved by the Board. The Committee shall meet as and when necessary, by giving a notice to the members of the Committee along with agenda and supporting documents for the meetings. The quorum for the meetings of the Borrowing Committee shall be 2 (two) members. The CSR Committee shall be governed by the applicable regulations and terms of reference of the Committee.

Composition of Corporate Social Responsibility Committee: As approved by the Board of Directors from time to time.

Term of reference of Corporate Social Responsibility Committee: Please refer Annexure-D.

E. Information Technology Strategy Committee (‘ITSC’)

The Company shall constitute an IT Strategy Committee, as required under the RBI Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices. ITSC shall have minimum three directors and the chairperson of the ITSC shall be an Independent Director having sufficient expertise in IT. ITSC shall meet on quarterly basis. The Committee shall be governed by RBI regulations and terms of reference of the Committee.

Composition of Information Technology Strategy Committee: As approved by the Board of Directors from time to time.

Term of reference of Information Technology Strategy Committee: Please refer Annexure-E.

F. <u>Information Technology Steering Committee</u>

The Company shall constitute an IT Steering Committee with representation at Senior Management level from IT and business functions., as required under the RBI Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices. The Committee shall meet on a quarterly basis and shall be governed by RBI regulations and terms of reference of the Committee.

Composition of Information Technology Steering Committee: As approved by the Board of Directors from time to time.

Term of reference of Information Technology Steering Committee: Please refer Annexure-F.

G. <u>Information Security Committee ('ISC')</u>

The Company shall constitute an Information Security Committee under the oversight of ITSC in line with RBI Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices. The Information Security Committee shall constitute Chief Information Security Officer (CISO) and other representatives from business and IT functions. The head of the ISC shall be from the risk management vertical. The Committee shall meet on a quarterly basis and shall be governed by RBI regulations and terms of reference of the Committee.

Composition of Information Security Committee: As approved by the Board of Directors from time to time.

Term of reference of Information Security Committee: Please refer Annexure-G.

H. <u>Asset Liability Committee ('ALCO')</u>

The ALCO shall consist of the Company's top management and shall be responsible for ensuring adherence to the risk tolerance/ limits set by the Board as well as implementing the liquidity risk management strategy of the Company. Chief Financial Officer, Head of Treasury and Credit shall also be part of the Committee. The Committee shall be governed by RBI regulations and terms of reference of the Committee.

Composition of Asset Liability Committee: As approved by the Board of Directors from time to time.

Term of reference of Asset Liability Committee: Please refer Annexure-H.

I. Borrowing & Investment Committee (BI Committee)

The Borrowing & Investment Committee shall consist of at least two (3) members, as approved by the Board. The Committee shall meet as required, with prior notice, agenda, and supporting documents circulated to its members. The Committee shall handle matters related to loans, guarantees, investments of surplus funds, and borrowings by the Company from banks, financial institutions, or other body corporates, in accordance with Section 179(3) and other applicable provisions of the Companies Act, 2013 and related rules. The quorum for meetings shall be two (2) members. The Committee shall function as per the provisions of the Companies Act and terms of reference of the Committee.

Composition of Borrowing & Investment Committee: As approved by the Board of Directors from time to time.

Term of reference of Borrowing & Investment Committee: Please refer Annexure-I.

J. Credit Committee

The Credit Committee shall consist of the Company's top management, as approved by the Board. The Committee shall meet as and when required, with prior circulation of the agenda and supporting documents to its members. The quorum for the meeting shall be two (2) members. The Committee is responsible for ensuring prudent credit decision-making, assessment of borrower creditworthiness, monitoring of credit exposures, and adherence to internal lending norms and RBI guidelines. The Committee shall function in accordance with applicable RBI regulations and exercise such powers and responsibilities as defined in its Terms of Reference.

Composition of Credit Committee: As approved by the Board of Directors from time to time.

Term of reference of Credit Committee: Please refer Annexure-J.

K. Product Committee

The Product Committee shall consist of members as approved by the Board from time to time. The Committee shall meet as and when required, with prior notice, agenda and supporting documents circulated to its members. The Product Committee includes representatives from Business, Compliance and Finance functions to ensure effective evaluation, approval and monitoring of the Company's products and pricing structures. The Committee shall review new product proposals, modifications to existing products and product performance while ensuring compliance with applicable regulatory requirements and alignment with the Company's business objectives and risk framework. The Committee shall discharge such responsibilities and exercise such powers as specified in its Terms of Reference.

Composition of Product Committee: As approved by the Board of Directors from time to time.

Term of reference of Product Committee: Please refer Annexure-K.

L. Fraud Management Committee

The Fraud Management Committee shall consist of a minimum of 3 (three) members as approved by the Board. The Committee shall meet on a quarterly basis, by giving a notice to the members of the Committee along with agenda and supporting documents for the meetings. The quorum for the meetings of the Committee shall be 2 (two) members. The Committee shall review and oversee the effectiveness of the Company's fraud risk management policies and frameworks. It will address fraud trends, corrective actions, and preventive measures. It will provide inputs to the Audit Committee of the Board and monitor the implementation of regulatory guidelines. The Committee shall be governed by the applicable regulations and terms of reference of the Committee.

Composition of Fraud Management Committee: As approved by the Board of Directors from time to time.

Term of reference of Fraud Management Committee: Please refer Annexure-L.

M. Internal Complaints Committee (also known as Anti Sexual Harassment Committee)

The Internal Complaints Committee (also known as Anti Sexual Harassment Committee) shall consist of members appointed by the Company in accordance with the applicable provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. The Committee shall meet as and when required, and the proceedings of the meetings shall be conducted in a confidential manner. The Committee shall be responsible for receiving, reviewing, and inquiring into complaints of sexual harassment, recommending appropriate corrective and disciplinary actions, and ensuring compliance with the applicable legal and regulatory requirements. The Committee shall also undertake awareness and sensitization initiatives to promote a respectful and inclusive work environment within the Company.

Composition of Internal Complaints Committee: As approved by the Board of Directors from time to time.

Term of Reference of Committee: Please refer Annexure-M.

N. Customer Grievance Committee (‘CGC’)

The CGC shall consist of a minimum of 3 (three) members as approved by the Board. The Committee shall meet as and when necessary, by giving a notice to the members of the Committee along with agenda and supporting documents for the meetings. The quorum for the meetings of the Customer

Protection Committee shall be 2 (two) members and shall meet on a quarterly basis. The Committee shall be governed by RBI regulations and terms of reference of the Committee.

Composition of Customer Grievance Committee: As approved by the Board of Directors from time to time.

Term of reference of Customer Grievance Committee: Please refer Annexure-N.

5. CORPORATE GOVERNANCE GUIDELINES

A. Fit and Proper Criteria for the Directors

Pursuant to the RBI Master Directions, a policy on 'Fit and Proper Criteria for Directors' is approved by the Board. The Company shall, on the appointment of directors and on a continuing basis, ensure that the directors adhere to the standards of fit and proper criteria as outlined in the fit and proper criteria policy and obtain a declaration/undertaking from the directors seeking additional information and obtain a deed of covenant signed by the directors in the relevant format annexed to the said policy.

Further, as required under the above RBI Master Directions, the Company shall ensure to furnish to RBI a quarterly statement on change of directors, and a certificate from the Managing Director that fit and proper criteria in selection of the directors has been followed within 15 days of the close of the respective quarter. The statement submitted by the Company for the quarter ending March 31, shall be certified by the auditors.

B. Key Managerial Personnel

In compliance with para 26 of the Reserve Bank of India (Non-Banking Financial Companies- Governance) Directions, 2025, Board shall ensure that except for directorship in a subsidiary, Key Managerial Personnel shall not hold any office (including directorships) in any other NBFC-ML or NBFC-UL.

C. Independent Director

In Compliance of para 27 and 28 of the RBI (Non-Banking Financial Companies- Governance) Directions, 2025, Board shall ensure that within the permissible limits in term of Companies Act 2013, an independent director shall not be on the Board of more than three NBFCs (NBFCs-ML or NBFCs-UL) at the same time. Further, the Board of the NBFC shall ensure that there is no conflict arising out of its independent directors being on the Board of another NBFC at the same time. There shall be no restriction to directorship on the Boards of NBFCs- BL, subject to provisions of Companies Act, 2013.

D. Guidelines on Compensation of Key Managerial Personnel (KMP) and Senior Management in

NBFCs

The Company shall have a Board approved compensation policy in place which shall at the minimum include

a. constitution of a Remuneration Committee,

b. principles for fixed/variable pay structures, and

c. malus/claw back provisions.

The Board of the Company would delineate the role of various committees, including the Nomination and Remuneration Committee (NRC). Further, Nomination and Remuneration Committee (NRC) shall work in close coordination with the Risk Management Committee (RMC) in relation to remuneration matters concerning Key Managerial Personnel (KMPs) and Senior Management Personnel (SMPs), to ensure effective alignment between compensation and risk, in accordance with the RBI (Non-Banking Financial Companies- Governance) Directions, 2025, as amended from time to time.

While formulating the compensation policy, it has to be ensured that all statutory mandates and the rules and directions issued under them are fully complied with.

6. APPOINTMENT OF STATUTORY AUDITORS

The appointment of statutory auditors shall be in conformity with the Company's Policy for Appointment of Statutory Auditors, formulated in line with applicable RBI Guidelines and regulatory provisions and other applicable legal requirements to the extent applicable.

7. REVIEW

The Policy shall be amended or modified with the approval of the Board. The Policy shall be reviewed by the Board periodically.

Annexure-A: Terms of Reference of Audit Committee

The Committee shall act and have powers in accordance with the terms of reference and such other items as may be prescribed by applicable laws, including but not limited to the following:

I. To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
II. To recommend for appointment, remuneration and terms of appointment of statutory and internal auditors of the company
III. To approve availing of the permitted non-audit services rendered by the Statutory Auditors and payment of fees thereof.
IV. To review, 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 Section 134(3)(c) 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 the management
    D. Significant adjustments made in the financial statements arising out of audit findings
    E. Disclosure of any related party transactions
    F. Modified opinion(s) in the draft audit report, if any
    G. The going concern assumption
    H. Compliance with Accounting Standards
V. To review, with the management, the quarterly financial statements including the draft limited review report of the Auditors before submission to the board
VI. To review and monitor the Auditor's independence and performance, and effectiveness of the audit process.
VII. To approve any subsequent modification of transactions of the company with related parties
VIII. To scrutinise inter-corporate loans and investments
IX. To undertake the valuation of undertakings or assets of the company, wherever it is necessary
X. To evaluate internal financial controls and risk management systems
XI. Evaluation of the internal financial controls, accounting policies, etc. with the Management, external and internal auditors.
XII. To review, with the management, the performance of statutory and internal auditors, adequacy of the internal control systems
XIII. To Review the Internal Audit Report and action taken thereon
XIV. To review 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.
XV. To discuss with internal auditors on any significant findings and follow up thereon.
XVI. To 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 report the matter to the board.

XVII. To discuss with statutory auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussion to ascertain any area of concern.

XVIII. To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

XIX. To review the functioning of the Whistle Blower mechanism.

XX. To review key significant issues, tax and regulatory / legal report which is likely to have significant impact on financial statements and management's report on actions taken thereon.

XXI. To review the Company's financial policies, strategies and capital structure, working capital and cash flow management.

XXII. Enquiring into reason for default by the Company in honouring its obligation to its depositors, securities holders, creditors, shareholders (in case of non-payment of declared dividend) and recommending appropriate action to the Board.

XXIII. To carry out any other function mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.

Annexure-B: Terms of Reference of Nomination and Remuneration Committee

The Committee shall act and have powers in accordance with the terms of reference and such other items as may be prescribed by applicable laws, which shall include the following:

I. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel, senior management and other employees
II. To formulate criteria for & mechanism of evaluation of Independent Directors and the Board of Directors.
III. To specify the manner for effective evaluation of the performance of the Board, its committees individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
IV. To identify 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 their appointment and removal

NOTE:

For the purpose of the Nomination and Remuneration Committee, Senior Management shall mean:

a. Key Managerial Personnel (as defined in section 203 of the Companies Act, 2013)
b. Chief Executive Officer
c. Chief Financial Officer
d. Managing Director
e. Whole Time director
f. Company Secretary
g. such other officers, not more than one level below the directors, who is in whole-time employment and a member of the core management team of the company, including the functional heads.
h. such other officer as may be prescribed by the Applicable Law.

V. To extend the term of appointment of the independent director, on the basis of the report of the performance evaluation of the independent directors.
VI. To review and recommend remuneration of the Managing Director(s) / Whole- time Director(s) based on their performance.
VII. To recommend to the Board, appointment of KMP and remuneration, in whatever form, payable to KMP.
VIII. To carry out such functions and responsibilities as may be assigned to the Nomination and Remuneration Committee under the Company's Compensation Policy, Fit & Proper Policy and applicable statutory/regulatory framework.
IX. To review, amend and recommend Human Resources related policies to the Board for approval.
X. To ensure that the management has in place appropriate programs to achieve maximum leverage from leadership, employee engagement, change management, training & development,

performance management and supporting system

XI. To oversee employee diversity programme.

XII. To oversee HR philosophy, people strategy and efficacy of HR practices including those for leadership development, rewards and recognition, talent management and succession planning (specifically for the Board, KMP and Senior Management).

XIII. To oversee the familiarisation programme for Directors.

XIV. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.

Annexure-C: Terms of Reference of Risk Management Committee

I. The RMC is responsible for establishing risk management policies and process standards and ensuring the risk management framework is appropriate for the Company's operations.
II. To implement and monitor the Risk Management Policy, ensuring an effective risk management system is in place across all functions of the Company
III. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
IV. Review and approve the development and implementation of risk methodologies and tools, including risk assessments and reporting.
V. Periodically undertake risk assessments and review the Company's overall risk profile.
VI. To periodically review the risk management policy, at least once a year, including by considering the changing industry dynamics and evolving complexity.
VII. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.
VIII. To coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Company.
IX. Review adequacy and effectiveness of business continuity processes and controls around IT and infrastructure risks.
X. To review quarterly reports on all outstanding derivative contracts, including details on transactions undertaken, hedge performance, and valuations.
XI. Evaluate overall risks faced by the Company and determine the level of risks and the proposed impacts.
XII. Design stress scenarios to measure the impact of unusual market conditions and monitor variance between the actual volatility of portfolio value and that predicted by the risk measures.
XIII. Review the outsourcing functions of the Company
XIV. Perform other activities related to this charter as requested by the Board of Directors or to address issues related to any significant subject.

Annexure-D: Terms of Reference of Corporate Social Responsibility Committee

I. Formulate and recommend to the Board a comprehensive CSR Policy that outlines activities to be undertaken by the company in accordance with Schedule VII of the Companies Act, 2013.
II. Periodically review and update the CSR Policy as required.
III. Recommend expenditure to be incurred on CSR activities and present an annual action plan to the Board for implementing CSR activities, including details of approved projects, timelines, budgets, and monitoring mechanisms.
IV. Review impact assessment reports prepared by independent agencies for eligible projects in accordance with the applicable laws.
V. The Committee shall monitor the identification and implementation of multi-year projects / programs ("Ongoing Projects"). The Committee shall recommend to the Board modifications, if any, for the smooth implementation of the Ongoing Projects within the overall legally permissible time period.
VI. The Committee shall monitor the administrative overheads in pursuance of CSR activities or projects or programs so that they do not exceed the prescribed thresholds.
VII. Where the Company spends an amount in excess of its prescribed CSR expenditure during a financial year, the Committee may make a recommendation to the Board for setting off the excess amount spent against CSR spend of the financial year(s) following the year of excess spend.
VIII. Discharge such other duties as may be delegated by the Board from time to time.
IX. Seek external professional advice when necessary for the proper performance of its responsibilities.
X. The Committee shall report its activities, recommendations, and progress on CSR initiatives to the Board.

Annexure-E: Terms of Reference of Information Technology Strategy Committee

I. Ensure effective IT strategic planning process in place;
II. Guide in preparation of IT Strategy and ensure that the IT Strategy aligns with the overall strategy towards accomplishment of its business objectives;
III. Ensure that the IT Governance and Information Security Governance structure fosters accountability, is effective and efficient, has adequate skilled resources, well defined objectives, and unambiguous responsibilities for each level in the organization;
IV. Processes for assessing and managing IT and cybersecurity risks are in place;
V. Budgetary allocations for the IT function (including for IT security), cyber security are commensurate with the IT maturity, digital depth, threat environment and industry standards and are utilized in a manner intended for meeting the stated objectives;
VI. Review at least on annual basis, the adequacy and effectiveness of the Business Continuity Planning and Disaster Recovery Management;
VII. Review the assessment of IT capacity requirements and measures taken to address the issues;
VIII. Approve documented standards and procedures for access to information assets;
IX. Decide the constitution of the IT Steering Committee and define its roles and responsibilities.
X. Decide the constitution of Information Security Committee (ISC), with Chief Information Security Officer (CISO) and other representatives from business and IT functions, etc.; and
XI. Such other matters as may be assigned by the Board of Directors or prescribed under any of the
XII. directions, circulars, or guidelines issued by Reserve Bank of India or otherwise directed by them, from time to time.

Annexure-F: Terms of Reference of Information Technology Steering Committee

I. Assist the ITSC in strategic IT planning, oversight of IT performance, and aligning IT activities with business needs.
II. Oversee the processes put in place for business continuity and disaster recovery.
III. Oversee the implementation, progress, and delivery of key IT projects, including periodic review of milestones, deliverables, timelines, and budgets.
IV. Ensure implementation of a robust IT architecture meeting statutory and regulatory compliance.
V. Update ITSC and MD periodically on the activities of IT Steering Committee.
VI. Review outcomes of IT audits, system vulnerability assessments, and compliance checks; ensure effective closure of audit points.
VII. Undertake any other responsibility as laid down by RBI from time to time.
VIII. Such other tasks may be entrusted to it by the ITSC or Board of Directors from time to time.

Annexure-G: Terms of Reference of Information Security Committee

I. Oversee the formulation, review, and periodic update of the Information Security Policy and Cyber Security Policy, ensuring their alignment with business objectives and RBI directions.
II. Supervise the implementation of an enterprise-wide information/cyber security framework, including the identification and protection of critical information assets and data.
III. Approving and monitoring information security projects and security awareness initiatives.
IV. Reviewing cyber incidents, information systems audit observations, monitoring and mitigation activities.
V. Monitor adherence to security practices for outsourcing/third-party arrangements.
VI. Review major security incidents and breaches, and ensure timely reporting to the IT Steering Committee, Risk Management Committee, and the Board.
VII. Undertake any other responsibility as laid down by RBI from time to time.
VIII. Such other tasks as may be entrusted to it by the ITSC or Board of Directors from time to time.

Annexure-H: Terms of Reference of Asset Liability Committee (ALCO)

I. Review and manage asset and liability mix with a view to grow the balance sheet with an effective allocation of resources.
II. Proactively manage risks relating to liquidity and funding, interest rate, foreign exchange, credit and counterparty.
III. Formulate and implement strategies for liquidity management in accordance with Board-defined risk tolerance and regulatory guidance.
IV. Review changes in the profile of liquidity and compliance with all liquidity limits set out in the Policy.
V. Consider the scenarios modelled as part of liquidity stress testing and identify additional scenarios based on best practice.
VI. Periodically review the Asset-Liability Management (ALM) Policy, liquidity risk management policy, and related treasury policies.
VII. To review the overall cash flow position and consider the impact of other inflows and outflows as they affect overall liquidity.
VIII. To review the Company's funding plans.
IX. Ensure compliance with RBI's ALM and liquidity risk management regulations, and all other relevant laws and guidelines.
X. Set risk limits for liquidity risk and capital adequacy / leverage ratio.
XI. Undertake any other responsibility as may be delegated by the Board in line with regulatory and business needs.
XII. Reviewing and making decisions on the launch of new products based on their impact on the company's ALM profile.

Annexure-I: Terms of Reference of Borrowing & Finance Committee

I. Approve the borrowing proposals within delegated limits and refer proposals exceeding such limits to the Board for approval.
II. To finalise the terms and conditions in respect of the borrowings / issuance of securities /debentures by the Company and approve the borrowings/issuance of securities / debentures by the Company.
III. Allot the securities / debentures of the Company as per applicable laws.
IV. To decide on the nature of security/encumbrance in respect of such borrowings including creating charge by way of hypothecation over the book debts / receivables of the Company at such terms and conditions as may be deemed fit from time to time.
V. To appoint security trustee(s)/debenture trustee(s) and/or create charge/mortgage/encumbrance in favour of security trustee(s) / debenture trustee(s)/lender(s)/debenture holders.
VI. To authorize officials of the Company for execution of any agreement, deeds and documents on charge by way of hypothecation over the book debts/receivables of the Company at such terms and conditions as may be deemed fit from time to time.
VII. To authorize officials of the Company for execution of any agreement, deeds and documents on behalf of the Company, including any loan/debenture / debt related documents.
VIII. To delegate authorities from time to time to the executives / authorized representatives to implement the decisions of the Borrowing and Investment Committee from time to time.
IX. Evaluate and approve investments in permitted instruments in compliance with Investment Policy.
X. To review and approve proposals for the sale or divestment of existing investments based on market conditions, risk assessment, or liquidity requirements.

Annexure-J: Terms of Reference of Credit Committee

I. Periodically review portfolio quality, including NPAs, delinquencies, group exposures, sectoral/geographic concentration, and top exposures.
II. To provide recommendations to the Board for amendments to the Credit Policy
III. Ensure all credit proposals are evaluated for customer creditworthiness, portfolio concentration risk, eligibility as per the NBFC's Credit Policy, and compliance with RBI/other regulatory guidelines.
IV. Approve credit restructuring, settlements, or write-offs as per delegated powers.
V. Analyse early warning signals and initiate appropriate remedial actions to maintain asset quality.
VI. Monitor compliance with single borrower and group exposure norms and sectoral caps as per the Credit Policy.
VII. Ensure adherence to KYC, AML, and documentation standards, including compliance with RBI's prudential norms
VIII. Review underwriting performance, delinquency data/trend
IX. Analyse Underwriting and Collections performance.

Annexure-K: Terms of Reference of Product Committee

I. Review proposals for all new financial products or material modification to existing ones, considering business rationale, customer value proposition, expected profitability, and risk-return profile.
II. Approve and recommend new product launches or modifications to the Board.
III. Evaluate new product concepts, business cases, and market opportunities.
IV. Periodically review the performance of all existing products against key performance indicators (KPIs).
V. Ensure that all products and associated processes are fully compliant with the guidelines issued by the Reserve Bank of India (RBI) and other relevant regulatory bodies.
VI. Review and monitor product post-launch performance and feedback.
VII. Review and recommend the pricing structures for all products, ensuring alignment with cost, competition, risk, and margin expectations.

Annexure-L: Terms of Reference of Fraud Management Committee

I. Identify the systemic lacunae if any that facilitated the perpetration of the fraud and put in place measures to plug the same.
II. Identify the reasons for delay in detection, if any, reporting to the top management of the Company and RBI.
III. Ensure that staff accountability is examined at all levels in all cases of fraud and staff side action if required, is completed quickly without loss of time.
IV. Review the efficacy of the remedial action taken to prevent the recurrence of fraud, such as strengthening internal controls.
V. Have oversight of effectiveness and implementation of this policy.
VI. Define SOPs for investigation of such frauds.
VII. Detailed reports on fraud investigations and fraud incidents shall also be reported by the Committee.
VIII. Monitor the progress of LEA investigation and recovery position.
IX. Recommend system and policy improvements to prevent future fraud incidents
X. The Committee shall oversee the effectiveness of the fraud risk management framework in the company, ensuring compliance with the RBI's Master Directions.
XI. The Committee shall review and monitor cases of fraud, including root cause analysis, and suggest mitigating measures to strengthen internal controls and minimize the incidence of frauds on Quarterly basis.
XII. The Committee shall ensure timely reporting of fraud incidents to the Board and relevant regulatory authorities as per the RBI's guidelines.
XIII. The Committee shall ensure that the company complies with the RBI's Master Directions on Fraud Risk Management and other relevant regulations.
XIV. The Committee shall have the authority to investigate and examine potential fraud cases, engage external auditors if necessary, and take appropriate actions as per the company's policies and RBI guidelines.
XV. The Committee shall have access to all relevant information and resources necessary to perform its duties effectively.

Annexure-M: Terms of Reference of Internal Complaints Committee

I. To handle the prevention, prohibition, and overall redressal of sexual harassment complaints across all company locations and administrative units.
II. To receive, evaluate, and potentially extend the timelines for written or oral complaints submitted by an aggrieved individual or their authorized representatives.
III. To facilitate voluntary, non-monetary conciliation settlements between parties and manage the strict tracking or implementation of agreed terms.
IV. To conduct formal, fair inquiry proceedings in line with natural justice, which includes enforcing attendance, collecting evidence, sharing findings, and deciding on ex-parte orders when necessary.
V. To maintain mandated operational compliance by ensuring a proper woman-led quorum and completing all investigations in accordance with applicable requirements..
VI. To evaluate and recommend interim relief measures such as leaves, transfers, or reporting changes for the complainant during a pending inquiry.
VII. To formulate final inquiry findings and recommend appropriate disciplinary penalties, systemic corrections, or full dismissals to the Human Resources department.
VIII. To identify and recommend legal actions against malicious or fabricated complaints while ensuring legitimate, unsubstantiated claims are not penalized.
IX. To uphold total confidentiality, ethical standards, and dignity for all parties throughout the investigation process.
X. To provide corporate governance by submitting an annual report of all cases and subsequent actions directly to the Board.
XI. To facilitate external legal and criminal justice support by assisting employees with police filings for harassment faced outside company premises, and ensuring the report explicitly recommends management initiate law enforcement action for offenses covered under the Indian Penal Code.

Annexure-N: Terms of Reference of Customer Grievance Committee

I. Monitor the efficiency, adequacy, and effectiveness of the Company's grievance redressal framework.

II. Review periodic reports on customer grievances, including nature of complaints, resolution timelines, pendency status, ageing analysis, complaint trends, and customer satisfaction levels, and recommend corrective and preventive measures to mitigate root causes and improve overall customer experience.

III. Monitor adherence to prescribed turnaround timelines (TAT) and escalation mechanisms.

IV. Monitor compliance with RBI guidelines relating to fair practices code, responsible lending, customer protection, grievance redressal and credit information reporting.

V. Monitor implementation of corrective and preventive actions arising from regulatory observations and audits in respect of customer complaints.

VI. Oversee development and implementation of training programs on complaint handling and customer interaction.

VII. Promote customer awareness, fair customer communication practices and compliant and transparent disclosure practices.

VIII. Periodically review customer-related policies and frameworks and recommend revisions to the Board of Directors, wherever required.

IX. Update the Board of Directors on the compliance of fair practices code and functioning of the grievance redressal mechanism on a quarterly basis.