

# Arohan Financial Services Limited

## Corporate Governance Policy

### Version 4.0



**Prepared by :** Compliance Team

**Revision by:** Compliance Team

**Reviewed by:** Audit Committee

**Approved by:** Board of Directors

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## **Introduction**

Arohan Financial Services Limited recognizes its role as a corporate citizen and endeavours to adopt the best practices and the highest standards of Corporate Governance through transparency in business ethics, accountability to its customers, government and others. The Company's activities are carried out in accordance with good corporate practices and the Company is constantly striving to make the better and adopt the best practices.

In pursuing its Mission of “empowering the underserved by offering a range of financial services, in a manner sustainable for all stakeholders”, Arohan has been balancing its dual objectives of “social” and “financial goals, since its inception.

## **Arohan’s Values**

The core principles of Corporate Governance emerge from the cornerstones of Arohan’s values, namely employee engagement, transparency, honesty & integrity, innovation, customer centricity and shareholder value focus. Arohan believes that the practice of each of these leads to the creation of the right corporate culture in which the company is managed in a manner that fulfils the purpose of Corporate Governance.

- **Employee Engagement**

Arohan treats its employees as a major stakeholder and hence its processes and systems are designed to ensure employee satisfaction, development and high morale.

- **Transparency**

Arohan’s products and processes are transparent to its clients such that the information communicated to them is clear, sufficient and timely in a manner and clients can understand the language so that they can make informed decisions. It is also transparent in its communication to, and transactions with all other stakeholders, and employees.

- **Honesty and Integrity**

Led by exemplary governance, Arohan maintains high standards of integrity in its delivery, products and processes. Arohan has zero tolerance for unethical practices. It strives to behave with honesty in all its internal and external communication, and dealings with all stakeholders.

- **Innovation**

Arohan strives to maintain a creative culture in the organisation, where employees are encouraged to learn and innovate in their day to day work, while adhering to Arohan's standards of business and conduct. Also, products, processes and business model innovation are integral to Arohan.

- **Customer Centricity**

Since customers are considered important stakeholders, Arohan's products and processes are designed keeping customer needs and realities in mind. Arohan strives to serve customer needs in an effective and efficient manner and behave in a dignified and respectful manner with its customers at all times.

- **Shareholder Value Focus**

Arohan recognizes its shareholders to be an important stakeholder whose interests it strives to protect, and to whom it seeks to deliver value by focusing on sustainability, profitability and growth of the business.

## **Laws & Regulations**

Arohan shall operate in compliance with the legal, regulatory and supervisory framework as applicable from time to time avoiding any conflicts of interest.

## **Governance Structure**

Arohan's Corporate Governance structure, systems and processes are based on two core principles viz. (a) Management must have the executive freedom to drive the enterprise forward without undue restraints, and (b) This freedom of management should be exercised within a framework of effective accountability.

Apart from the shareholders of the Company the following governance level will be followed in Arohan:

Governance Level	Broad Responsibility	Responsible
Level 1	Strategic Supervision	Board of Directors
Level 2	Strategic Management	Executive Management Committee
Level 3	Executive Management	Head of the Departments

At the apex level, the general body of Shareholders of the Company shall elect the Board of Directors at the Annual General Meeting and the Board appoints the Managing Director and Chief Executive Officer of the Company, who in turn will appoint the various other management executives of the company.

### **Shareholder Participation through Annual General Meeting**

This is the institution's highest governing body. Good governance requires participation from maximum number of shareholders/ members in the Meeting, to take decisions, in order to benefit the institutions.

### **Convening**

The Board is under the obligation of convening the Annual General Meeting at least once every fiscal year. The convened Annual General Meeting will assemble to (a) review and approve corporate management (b) review and approve the financial statement and (c) adopt resolutions on any other matter included in the agenda.

In addition to the Annual General Meeting, the Board of Directors can also convene an Extra Ordinary General Meeting (EGM) whenever it deems necessary on behalf of the institution's interests.

## **Right to Information**

Once the AGM has been announced, the institution will provide shareholders/members with documents and other information related to the matters that will be discussed at the meeting. Further before the AGM is held, shareholders can ask the Board of Directors for any information or clarifications they consider necessary regarding the items on the agenda, and they can ask any questions they consider relevant.

## **Delegation & Representation**

Any shareholders can be represented by another person at the AGM, even if they are not a shareholder. The representative powers must be conferred specifically for each meeting, which can always be revoked should the represented person attend the meeting in person.

## **Meeting Minutes**

The deliberations and resolutions at the meeting will be recorded in a minute's document. The minutes should reflect everything discussed and be approved at the Annual General Meeting and also record the participation of the shareholders.

## **Board of Directors**

It is the body responsible for administering the organization with all the necessary powers. Good governance therefore places an emphasis on the importance of the Board of Directors as a governing body which channelizes the structure and operation of the organization's corporate bodies in its interests.

In terms of the Company's Corporate Governance Policy, all statutory and other significant and material information are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company as trustees of the Shareholders.

## **Composition**

The Board of Directors shall have an optimum combination of executive and non-executive directors. The size and composition of the Board of Directors shall be in accordance with the size of the institution and will seek to satisfy the following:

- (a) 50% of the total directors should be non-executive directors;
- (b) there should be at least one women director;
- (c) where the chairperson of the board of directors is a non-executive director, atleast 1/3 of the total directors should be independent directors and where the company does not have regular non-executive chairperson, at least half of the board of directors shall comprise of independent directors; and
- (d) where the regular non-executive chairperson is a promoter of the company or is related to any promoter or person occupying management positions at the level of board of director or at one level below the board of directors, at least half of the board of directors of the listed entity shall consist of independent directors.

The structure of the Board will seek to be balanced in terms of member experience, qualifications and independence so as to undertake different tasks and inherent responsibilities.

Also, it will be ensured that a member of the Board is not be involved in a legal procedure on the grounds of prohibition or incompatibility. Further if the manager sits on the Board of Directors, he will have the right to speak but not to vote to ensure that the administration and management functions are separated.

The shareholders of the company will be responsible for determining the exact number and composition of Board members at the Annual General Meeting, subject to applicable legal regulations and to the institution's by laws viz. Articles of Association of the Company.

## **Duties & 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 will have the following duties:-

- Helping define the strategy that will increase the institution's value, guiding the management by assimilating information that affects the organization's performance and creating a planning document and annual budget for the following year.
- Selecting, appointing, supporting and reviewing the performance of the Management's performance based on the organization's objectives
- Formulating the remuneration policy with an emphasis on how this policy is related to the performance of key members of the management
- Ensuring that the management team has all of the necessary resources to implement the achieve organization's goal
- Establishing a policy based governance system to guide its own actions and the actions of the management for achieving the business and social goals of the organization.
- Defining the board's method of operation, i.e. the members, their selection, evaluation and changeovers or rotation, in order to guarantee a strong structure.
- Reviewing all risks faced by the Company and making appropriate strategies for implementation of appropriate policies to ensure risk mitigation.
- Ensuring that compliance with applicable laws, regulations, policy and processes and also supervising the internal control systems of the organization through internal and statutory auditors.
- Establishing a code of ethics for all employees, including the board of directors and also ensuring adherence of such code of ethics.
- Establishing the mechanisms to manage a situation fairly where employees as well as directors may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.

## **Appointment/Re-election**

The responsibility of appointment and re-election of the Board of Directors falls on the General Meeting and Nomination and Remuneration Committee of the Company. Once chosen, the Board members must represent the institution's interests. They must perform their duties in good faith, objectively and independently, with due care and diligence, so that their decisions are always aimed at the institution's best interests.

The resolutions that the Board of Directors adopts in relation to the re-election of members and its deliberations in this regard shall take place in the absence of the Director whose re-election is proposed. If the Director is at the meeting, he must leave the room. Where established in the country's legal regulations, the appointment of the Board of Directors members will also be subject to approval from the regulatory or supervisory body.

The appointment and reappointment of any directors shall be done in compliance with the applicable provisions of the Companies Act 2013 and applicable RBI rules and regulations and other applicable act if any.

## **Conflict of Interest**

A conflict of interest is any situation that has the potential to undermine the impartiality of a person because of the possibility of a clash between the person's self-interest and professional interest or public interest or can also be defined as a situation in which a party's responsibility to a second-party limits its ability to discharge its responsibility to a third-party.

In this regard Board members must inform the Board of Directors, or whichever committee is responsible, as soon as there is possibility or chances of any direct or indirect conflict that could go against the institution's interests, providing the necessary information so that an unbiased and informed decision can be taken.



## **Board Procedures**

The Company's Governance Policy requires the Board to meet at least 4 (four) times in a year. The intervening period between two Board meetings shall not exceed 120 (one hundred and twenty) days as per the provisions of the Companies Act 2013. The annual calendar of meetings is broadly determined at the beginning of each year.

## **Board Meeting Agenda**

Meetings are governed by a structured agenda. The Board members, in consultation with the Chairman, may bring up any matter for the consideration of the Board. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. Agenda papers are circulated at least seven working days prior to the Board meeting.

The Board is presented with relevant information on various matters relating to the working of the Company. The functional heads are invited to the Board and Committee meetings to apprise the Board on various issues concerning the operations of the Company. The following information shall be presented to the Board for periodic review / information / approval:

- Business Updates: This includes trend of business growth, business performance in terms of budget, branch expansion, product diversification, quality of portfolio and also growth plan for the next quarter/year.
- Financial Updates: The quarter ended financials, budget comparison, and projection for next quarter, reasoning for financial outcomes, annual budget etc. shall be the part of financial updates.
- Internal Control System: Management shall be responsible for updating the Board about the overall internal control system of the organization and ensure that process & policy is being followed accordingly.
- Risk Management Updates: The Chairman of Risk Management Committee shall update the Board about the risk related issues and suggest measures for risk mitigation.
- Regulatory Compliance: Compliance officer shall update the Board about the status of compliance related issues and also propose further course of actions wherever necessary.

- Audit Observations: The Chairman of Audit Committee shall update the Board about the audit grading and the compliance level of the organization. He/she should also suggest the proposed course of corrective measures suggested by the internal as well as statutory auditors.
- HR Updates: The Chairman of Nomination and Remuneration Committee shall updates the Board about the HR related issues which may include status of recruitment vis a vis the budget, employee engagement initiatives, staff attrition and other HR challenges etc.
- Admin Updates: Board shall also be updated about the admin related issues of head office as well as branch offices, challenges and other relevant information as required.
- IT Updates: The status of application development in terms of original plan, capital investment, and plan for next quarter shall be considered relevant information for the Board members. In addition of that road map of IT shall also be approved by the Board on the recommendation of the IT Strategy Committee.
- Framing Internal Guidelines: The Company may shall frame its internal guidelines on corporate governance with the approval of the Board, enhancing the scope of the guidelines without sacrificing the spirit underlying the above guidelines and it shall be published on the Company's website for the information of various stakeholders.
- Others: In addition of above, Management shall also update Board about legal suits (if any), show-cause/ demand/ prosecution and other material notices, details of any joint venture or collaboration and any other material decision/information which may be important in terms of the interest of the Company.

## **Good Governance in Management**

A good governance practice advocates a full separation between administration and management duties so that each body carries out its duties with the highest efficiency. The Board of Directors are responsible for the general strategy, control and supervision.

However, the separation between management and governance duties and administration duties must never result in important decisions or measures being

taken by the institution's management bodies without the Board of Director's intervention.

## **Managing Director**

The Managing Director is the institution's legal representative. He is appointed by the Board of Directors and shall be responsible for putting in place procedures to implement all the Board's policies, strategies and systems.

The Managing Director will actively participate in the sessions, with the right to speak but not vote, in order to give their input on the items of the agenda or any other matter requested by them.

## **Executive Management Committee (EXCOM)**

EXCOM is a committee at senior management level formed by the Managing Director of the Company. The members of the committee are Officials directly reporting to the Managing Director and should be AVP level (Assistant Vice President) or above. Other senior members may also be invited by the Managing Director based on the topics of discussion. The EXCOM shall be responsible for making strategic as well as other material decision of the Company.

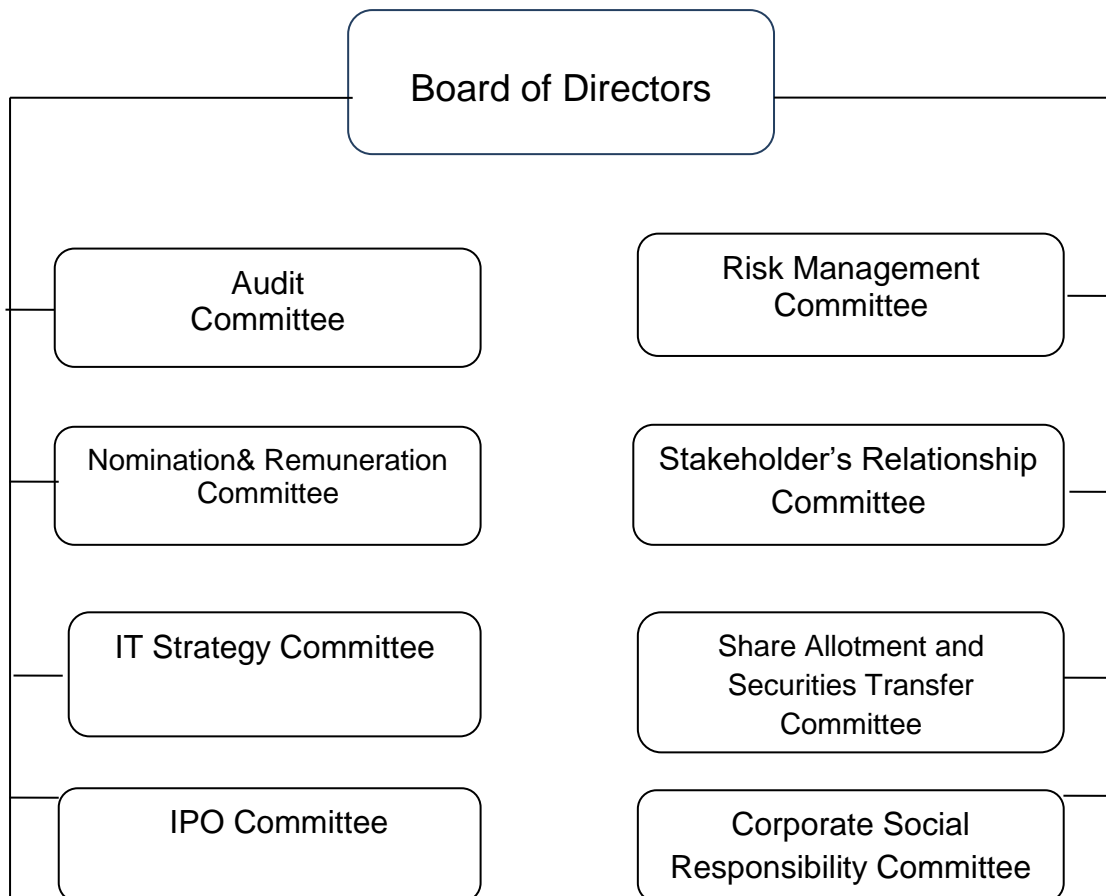
All the members of the EXCOM shall review Company performance at least once in every month. The representative of each department in the Committee shall present their monthly updates to the other members of the Committee.

## **Board Committees**

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board constitutes a set of Committees with specific terms of reference / scope. The Committees shall operate as per the guidelines approved by the Board. The minutes of the meetings of all Committees of the Board shall be placed before the Board for approval in subsequent meeting.

This type of Committee will respond to the institution’s specific needs or one-off needs, fulfilling a specific duty at a given moment in time, without the Committee or its duties being required by the institution permanently.

Arohan shall comply with the above requirements of committee constitution and shall have the following committees of the Board:



The terms of reference, roles and responsibilities of the aforesaid Committees is enclosed in the annexure of this policy and may be amended from time to time with the approval of the said Committee and the Board.

## Annexure

### 1. AUDIT COMMITTEE

Chairman	<p>The Chairman of the Audit Committee shall be an Independent Director and shall be elected by the members of the Audit Committee.</p> <p>The Chairman of the Committee shall be present at the Annual General meeting to answer shareholder queries.</p>
Composition	<p>The Audit Committee shall consist of at least three directors as members.</p> <p>At least two-thirds of the members of the audit committee shall comprise of independent directors.</p> <p>All members of the Audit Committee shall be financially literate and at least one member shall have accounting or related financial management expertise.</p> <p>The Audit Committee may invite finance director or head of the finance function, head of internal audit and a representative of the statutory auditor or such of the executives, as it considers appropriate to be present at the meetings of the Committee, but on occasions it may also meet without the presence of any executives of the Company.</p>
Secretary	<p>The Company Secretary of the Company shall act as Secretary to the Audit Committee.</p>
Meetings & Quorum	<p>The Audit Committee shall meet at least four times in a year and not more than 120 days (one hundred and twenty days) shall elapse between two meetings. The Committee shall also meet as and when required.</p> <p>The quorum shall be either two members or one third of the members of the Audit Committee whichever is greater, including at least one independent director.</p>
Terms of Reference	<ul style="list-style-type: none"> <li>overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;</li> </ul>

	<ul style="list-style-type: none"> <li>• recommending to the Board, the appointment, re-appointment, and replacement, remuneration and terms of appointment of the auditors of the Company;</li> <li>• reviewing and monitor the auditors’ independence and performance and the effectiveness of audit process;</li> <li>• approval of payments to the statutory auditors for any other services rendered by statutory auditors;</li> <li>• reviewing with the management, the annual financial statements and auditor’s report thereon before submission to the Board for approval, with particular reference to:             <ul style="list-style-type: none"> <li>i) matters required to be stated 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, as amended;</li> <li>ii) changes, if any, in accounting policies and practices and reasons for the same;</li> <li>iii) major accounting entries involving estimates based on the exercise of judgment by management;</li> <li>iv) significant adjustments made in the financial statements arising out of audit findings;</li> <li>v) compliance with listing and other legal requirements relating to financial statements;</li> <li>vi) disclosure of any related party transactions; and</li> <li>vii) qualifications and modified opinions in the draft audit report.</li> </ul> </li> <li>• reviewing with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;</li> <li>• scrutiny of inter-corporate loans and investments;</li> <li>• valuation of undertakings or assets of the Company, wherever it is necessary;</li> <li>• evaluation of internal financial controls and risk management systems;</li> <li>• approval or any subsequent modification of transactions of the Company with related parties;</li> <li>• 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</li> </ul>
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	<p>offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;</p> <ul style="list-style-type: none"> <li>• approving or subsequently modifying transactions of the Company with related parties;</li> <li>• establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;</li> <li>• reviewing, with the management, the performance of statutory and internal auditors and adequacy of the internal control systems;</li> <li>• 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;</li> <li>• discussion with internal auditors on any significant findings and follow up thereon;</li> <li>• 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</li> <li>• 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;</li> <li>• looking 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;</li> <li>• approval of appointment of the chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;</li> <li>• reviewing the functioning of the whistle blower mechanism;</li> <li>• ensuring that an information system audit of the internal systems and process is conducted at least once in two years to assess operational risks faced by the Company;</li> <li>• reviewing the utilization of loan and/or advances from investment by the holding company in the subsidiaries</li> </ul>
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	<p>exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;</p> <ul style="list-style-type: none"> <li>• considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc. on the Company and its shareholders; and</li> <li>• performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, the Companies Act, the Master Directions or other applicable law.</li> </ul> <p>The Audit Committee shall have the same powers, functions and duties as laid down in Section 177 of the Companies Act, 2013 and in accordance with Regulation 18 of the SEBI (Listing obligations and Disclosure requirements) Regulations, 2015.</p> <p>The Audit Committee must ensure that an Information System Audit of the internal systems and process is conducted atleast once in two years to assess operational risks faced by the NBFCs.</p>
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## 2. RISK MANAGEMENT COMMITTEE

Chairman	The Chairman of the Risk Committee shall be a member of the Board of Directors of the Company and shall be elected by the members of the Risk Committee.
Composition	<p>The Risk Committee shall consist of at least three directors, with majority of them being members of the board of directors, including at least one independent director.</p> <p>All members of the Risk Committee shall be financially literate and at least one member shall have related management expertise.</p> <p>The Risk Committee may invite such of the executives, as it considers appropriate to be present at the meetings of the Committee, but on occasions it may also meet without the presence of any executives of the Company. The Risk Manager shall also be present as invitees for the meeting.</p>



Secretary	The Company Secretary of the Company shall act as Secretary to the Risk Management Committee.
Meetings & Quorum	<p>The Risk Management Committee shall meet at least two times in a year and not more than one hundred and eighty days shall elapse between any two consecutive meetings. The Committee shall also meet as and when necessary to review and monitor the risk associated with the business of the Company.</p> <p>The quorum shall be either two members or one third of the members of the Risk Management Committee whichever is greater ,including at least one member of the board of directors in attendance.</p>
Terms of Reference	<p>The Risk Management Committee is responsible for analyzing matters relating to the institution’s risk control and management strategy and policy, and assessing and approving risk operations that could be significant.</p> <p>The Risks Management Committee has powers over controlling financial risks generated by the business units. It must approve the methods and models to identify, measure, monitor, control, report and reveal different risk types.</p> <p>Its other duties include: reporting regularly to the Board of Directors on risk exposure and the measures taken to manage it; adjusting or authorizing overruns on exposure limits for the different risk types; and adopting, implementing and disseminating contingency plans in the event of acts of nature or force majeure to avoid breach of the set risk exposure limits.</p> <p>The roles of the Risk Management Committee as per SEBI (LODR) Regulations, 2015 are as follows:-</p> <p>To formulate a detailed risk management policy which shall include:</p> <p>A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.</p> <p>(b) Measures for risk mitigation including systems and processes for internal control of identified risks.</p>

	<p>(c) Business continuity plan</p> <p>To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;</p> <p>To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;</p> <p>To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;</p> <p>To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;</p> <p>The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.</p>
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### 3. IT STRATEGY COMMITTEE

Chairman	The Chairman of the IT Strategy Committee shall be an Independent Director and shall be elected by the members of the Committee.
Composition	<p>The IT Strategy Committee shall consist of atleast three Directors.</p> <p>The Head of IT shall be present as invitee for the meeting. Further the committee may also invite such Company executives, as it considers appropriate.</p>
Secretary	The Company Secretary of the Company shall act as Secretary to the IT Strategy Committee.

Terms of Reference	<p>The IT Strategy Committee shall work in partnership with other Board Committees and Senior Management to provide input to them. It will also carry out review and amend the IT strategies in line with the corporate strategies, Board Policy reviews, cyber security arrangements and other matter related to IT Governance. Some of the roles and responsibilities include:</p> <ul style="list-style-type: none"> <li>• Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place</li> <li>• Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business.</li> <li>• Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable.</li> <li>• 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</li> <li>• Ensuring proper balance of IT investments for sustaining NBFC’s growth and becoming aware about exposure towards IT risks and controls.</li> </ul>
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4. NOMINATION & REMUNERATION COMMITTEE

Chairperson	<p>The Chairperson of the nomination and remuneration committee shall be an independent director.</p> <p>Provided that the Chairperson of the Company, whether executive or non-executive, may be appointed as member of the Committee but shall not chair the Committee.</p> <p>The Chairperson of the nomination and remuneration committee may be present at the Annual General Meeting, to answer the shareholders' queries; however, it shall be up to the chairperson to decide who shall answer the queries.</p>
Composition	<p>The Nomination &amp; Remuneration Committee shall consist of:</p> <p>(a) atleast three directors ;</p> <p>(b) all directors of the committee shall be non-executive directors;</p> <p>and</p>

	(c) at least fifty percent of the directors shall be independent directors
Secretary	The Company Secretary of the Company shall act as Secretary to the Nomination Committee.
Meetings & Quorum	<p>The Nomination &amp; Remuneration Committee shall meet at least once in a year.</p> <p>The quorum for a meeting of the nomination and remuneration committee shall be either two members or one third of the members of the committee, whichever is greater, including atleast one independent director in attendance.</p>
Terms of Reference	<ul style="list-style-type: none"> <li>• formulating 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;</li> <li>• For the 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.</li> <li>• formulation of criteria for evaluation of independent directors and the Board;</li> <li>• devising a policy on diversity of the Board;</li> <li>• identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance;</li> <li>• determining 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;</li> <li>• recommend to the board, all remuneration, in whatever form, payable to senior management.</li> <li>• recommend remuneration of executive directors and any increase therein from time to time within the limit approved by the members of the Company;</li> </ul>

	<ul style="list-style-type: none"> <li>• recommending remuneration to non-executive Directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;</li> <li>• engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;</li> <li>• ensuring ‘fit and proper’ status of proposed and existing directors in terms of the Master Directions; and</li> <li>• performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, the Master Directions, Companies Act, 2013 and the rules and regulations made thereunder, each as amended or other applicable law.”</li> </ul> <p>The Nomination &amp; Remuneration Committee shall have the same powers, functions and duties as laid down in Section 178 of the Companies Act, 2013.</p>
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5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Composition	The Corporate Social Responsibility Committee shall consist of such number of members as may be determined by the Board.
Secretary	The Company Secretary of the Company shall act as Secretary to the Corporate Social Responsibility Committee.
Meetings & Quorum	<p>The Corporate Social Committee shall meet at least once a year and as and when necessary to determine the CSR activities to be undertaken by the Company.</p> <p>The quorum shall be at least two Directors and the Head of Finance shall be present as an invitee for the meeting.</p>
Terms of Reference	<ul style="list-style-type: none"> <li>• formulating and recommending to the Board the corporate social responsibility policy of the Company, including any amendments thereto, in accordance with Schedule VII of the Companies Act;</li> <li>• recommending the amount of expenditure to be incurred on the corporate social responsibility activities;</li> <li>• reviewing and monitoring the implementation of corporate social responsibility policy of the Company; and</li> <li>• performing such other duties and functions as the Board may</li> </ul>

	require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company.”
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## 6. IPO Committee

Composition	The IPO Committee shall consist of such number of members as may be determined by the Board.
Secretary	The Company Secretary of the Company shall act as Secretary to the IPO Committee.
Meetings & Quorum	The IPO Committee shall meet as and when necessary to determine the IPO activities to be undertaken by the Company. The quorum shall be at least two members be present for the meeting.
Terms of Reference	<ul style="list-style-type: none"> <li>• approving amendments to the memorandum of association and the articles of association of the Company;</li> <li>• approving all actions and signing and/or modifying agreements or other documents required to dematerialize the Equity Shares, including seeking the admission of the Equity Shares into the Central Depository Services (India) Limited (the “CDSL”) and the National Securities Depository Limited (the “NSDL”);</li> <li>• finalizing, settling, approving and adopting the draft red herring prospectus (the “DRHP”), the red herring prospectus (the “RHP”), the prospectus (the “Prospectus”), the preliminary and final international wraps, and any amendments, supplements, notices or corrigenda thereto, together with any summaries thereof (collectively, the “Offer Documents”);</li> <li>• arranging for the submission, withdrawal and filing of the Offer Documents including incorporating such alterations/corrections/modifications as may be required by the Securities and Exchange Board of India (the “SEBI”), the Reserve Bank of India (the “RBI”), the relevant registrar of companies (the “RoC”)the stock exchanges where the Equity Shares are to proposed be listed (the “Stock Exchanges”), or any other relevant governmental and statutory authorities or in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from</li> </ul>

	<p>time to time by the Government of India, the RBI, the SEBI, the RoC, the Stock Exchanges and/or any other competent authorities (collectively, the “Applicable Law”), and taking all such actions as may be necessary for submission, withdrawal and filing of the Offer Documents;</p> <ul style="list-style-type: none"> <li>• approving and issuing notices and/or advertisements in relation to the Offer as it may deem fit and proper in accordance with Applicable Law in consultation with the relevant intermediaries appointed for the Offer;</li> <li>• approving any steps towards compliance with corporate governance requirements, policies or codes of conduct of the Board, officers and other employees of the Company that may be considered necessary by it or as may be required under Applicable Law in connection with the Offer;</li> <li>• appointing and instructing the book running lead managers, syndicate members, bankers to the Offer, the registrar to the Offer, underwriters, escrow agents, accountants, auditors, legal counsel, depositories, custodians, credit rating agencies, monitoring agencies, advertising agencies and all such persons, agencies or intermediaries as may be involved in or concerned with the Offer and whose appointment is required in relation to the Offer, to the extent relevant, including any successors or replacements thereof, by way of commission, brokerage, fees or the like, and negotiating, finalizing and settling the respective terms of their appointment and executing and delivering or arranging the delivery of, and if deemed fit, terminating the various agreements for such appointment, including any syndicate agreement, underwriting agreement, share escrow agreement, cash escrow agreement, agreement with registrar in relation to the Offer, and advertising agencies and any other intermediaries or parties in connection with the Offer;</li> <li>• opening and operating bank accounts, share/securities accounts, escrow or custodian accounts, in India or abroad, in Rupees or in any other currency, in accordance with the terms of any agreement entered into in this respect and subject to Applicable Law;</li> <li>• opening and operating bank accounts of the Company in terms of Section 40(3) of the Companies Act, 2013, as</li> </ul>
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	<p>amended, and to authorize one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;</p> <ul style="list-style-type: none"> <li>• authorizing and approving the incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer, in accordance with the terms of any agreement entered into in this respect and subject to Applicable Law;</li> <li>• seeking the listing of the Equity Shares on the Stock Exchanges, submitting listing applications to the Stock Exchanges and taking all such actions as may be necessary in connection with obtaining such listing, including, without limitation, entering into listing agreements with the Stock Exchanges;</li> <li>• seeking, if required, the consent of the Company’s lenders, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents that may be required in connection with the Offer;</li> <li>• submitting undertakings/certificates or providing clarifications to the SEBI and the Stock Exchanges;</li> <li>• deciding, in consultation with the book running lead managers the size and timing and all other terms and conditions, including any amendments thereto, of the Offer and/or the number of Equity Shares to be offered and transferred in the Offer, including any private placement of certain Equity Shares to selected investors as permitted under Applicable Law, any reservation of a certain number of Equity Shares for any category or categories of persons as permitted under Applicable Law any rounding off in the event of any oversubscription as permitted under Applicable Law, and to accept any amendments, modifications, variations or alterations thereto;</li> <li>• determining, in consultation with the book running lead managers and/or any other advisors, the price at which the Equity Shares will be offered and allotted and transferred to investors in the Offer in accordance with Applicable Law and determining the discount, if any, proposed to be offered to</li> </ul>
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	<p>eligible categories of investors;</p> <ul style="list-style-type: none"> <li>• determining, in consultation with the book running lead managers and/or any other advisors, the price band and minimum bid lot for the purpose of bidding, any revision to the price band and the final Offer price (including the price at which Equity Shares are allotted to anchor investors in the Offer, if any) after bid closure;</li> <li>• determining, in consultation with the book running lead managers and/or any other advisors, the bid opening and closing dates (including the bidding date in case of anchor investors, if any);</li> <li>• finalizing, in consultation with the book running lead managers, the Stock Exchanges and/or any other advisors, the basis of allocation and allotment and transfer of Equity Shares to retail investors/non-institutional investors/qualified institutional buyers and any other investor;</li> <li>• approving/taking on record the allotment and transfer of the Equity Shares;</li> <li>• approving suitable policies on insider trading, whistle-blower mechanism, risk management and any other policies as may be required under applicable laws;</li> <li>• issuing receipts/allotment letters/confirmation of allocation notes either in physical or electronic mode representing the underlying Equity Shares, with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchanges;</li> <li>• taking all actions as may be necessary or authorized in connection with the Offer;</li> <li>• authorizing any officers (the “Authorized Officers”), for and on behalf of the Company, to execute, deliver and terminate, on a several basis, any agreements and arrangements as well as amendments or supplements thereto that any such Authorized Officer considers necessary, desirable or advisable, in connection with the Offer, including, without limitation, engagement letter(s), memoranda of understanding, the listing agreements with the Stock Exchanges, the registrar’s agreement, the depositories agreements, the offer agreement</li> </ul>
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	<p>with the book running lead managers (and other entities as appropriate), the underwriting agreement, the syndicate agreement, the escrow agreement, confirmation of allocation notes, the advertisement agency agreement and any agreement or document in connection with any Pre-IPO Placement (including any placement agreement, escrow agreement and Offer documentation), with, and to make payments to or remunerate by way of fees, commission, brokerage or the like or reimburse expenses incurred in connection with the Offer by the book running lead managers, lead managers, syndicate members, placement agents, bankers to the Offer, registrar to the Offer, bankers to the Offer, managers, underwriters, escrow agents, accountants, auditors, legal counsel, depositories, credit rating agencies, monitoring agencies, advertising agencies, and all such persons or agencies as may be involved in or concerned with the Offer; and any such agreements or documents so executed and delivered and acts and things done by any such Authorized Officer shall be conclusive evidence of the authority of the Authorized Officer and the Company in so doing;</p> <ul style="list-style-type: none"><li>• authorizing any Authorized Officer, for and on behalf of the Company, to severally take any and all action in connection with making applications, seeking clarifications and obtaining approvals (or entering into any arrangement or agreement in respect thereof) in connection with the Offer, including, without limitation, applications to, and clarifications or approvals from the GoI, the RBI, the SEBI, the RoC, and the Stock Exchanges and that any such action already taken or to be taken is hereby ratified, confirmed and/or approved as the act and deed of the Authorized Officer and the Company, as the case may be;</li><li>• severally authorizing the Authorized Officers, for and on behalf of the Company, to do or cause to be done any and all acts, deeds, matters or things as any such Authorized Officer may deem necessary, desirable or expedient in order to carry out the purposes and intent of the foregoing resolutions or the Offer; and any documents so executed and delivered or acts, deeds, matters and things done or caused to be done by any</li></ul>
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	<p>such Authorized Officer shall be conclusive evidence of the authority of such Authorized Officer and the Company in so doing and any such document so executed and delivered or acts, deeds, matters and things done or caused to be done by any such Authorized Officer prior to the date hereof are hereby ratified, confirmed and approved as the act and deed of the Authorized Officer and the Company, as the case may be; and</p> <ul style="list-style-type: none"> <li>• executing and delivering any and all documents, papers or instruments and doing or causing to be done any and all acts, deeds, matters or things as it may deem necessary, desirable or expedient in order to carry out the purposes and intent of the foregoing resolutions or the Offer; and any documents so executed and delivered or acts, deeds, matters and things done or caused to be done by the IPO Committee shall be conclusive evidence of the authority of the IPO Committee in so doing.</li> </ul>
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**7. STAKEHOLDER’S RELATIONSHIP COMMITTEE**

Composition	The Stakeholder’s Relationship Committee shall consist of at least three directors, with at least one being an independent director.
Secretary	The Company Secretary of the Company shall act as Secretary to the Stakeholder’s Relationship Committee.
Meetings & Quorum	<p>The Stakeholders Relationship Committee shall meet at least once in a year.</p> <p>The quorum of the Stakeholders Relationship Committee will be in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and in accordance with Section 178 of the Companies Act, 2013 and the rules and regulations made thereunder</p>
Terms of Reference	<ul style="list-style-type: none"> <li>• redressal of grievances of investors, shareholders, debenture holders and other security holders, including complaints related to the transfer of shares, non-receipt of annual report and non-receipt of declared dividends; issue of new/duplicate certificates, general meetings etc;</li> <li>• Review of measures taken for effective exercise of voting</li> </ul>

	<p>rights by shareholders;</p> <ul style="list-style-type: none"><li>• Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar &amp; Share Transfer Agent;</li><li>• Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and</li><li>• performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations and the Companies Act or other applicable law.</li></ul>
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