



THAKUR FININVEST PVT. LTD.
NBFC Regd. with Reserve Bank of India

THAKUR FININVEST PRIVATE LIMITED

CORPORATE GOVERNANCE POLICY



1. PREAMBLE

1.1. Sound governance practices and responsible corporate behavior contribute to superior long-term performance of companies. A best practice on governance issues is an evolutionary and continuing process. Corporate governance practice embodies the dual goals of protecting the interests of all stakeholders while respecting the duty of the board of directors and senior management of the company to oversee the affairs of a company, ensure accountability, inculcate integrity and promote long-term growth and profitability.

1.2. The Company has framed the following internal Guidelines on Corporate Governance as per the requirements of Reserve Bank (RBI) vide its Master Direction RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 (as updated from time to time)

1.3. The Company has framed this Corporate Governance Policy with the intent of following corporate governance in spirit as also the letter of law. The objective of this Corporate Governance Policy is to ensure compliance with legal requirements and set standards for corporate governance in relation to the Company so that concerned employees and executives of the Company act in accordance with the highest standards of corporate governance while working for and on behalf of the Company and further so that the affairs of the Company can be conducted with integrity, fairness, accountability and transparency. All the concerned employees and executives of the Company are expected to read and understand this Corporate Governance Policy in order to uphold the standards and to comply with all applicable policies and procedures stipulated herein in day to day operations and activities of the Company.

2. FIT & PROPER CRITERIA

The Company have a policy for ascertaining the fit and proper criteria at the time of appointment of Directors and on a continuing basis. The policy on the Fit and proper criteria is on the lines of the RBI Guidelines.

The Company obtains a declaration and undertaking from the directors giving additional information on the directors, obtains a Deed of Covenant signed by the directors, furnishes to Reserve Bank of India 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. The statement submitted for the quarter ending March 31st, is certified by the auditors.

The Nomination and Remuneration Committee shall review the appointment/re appointment of Directors considering their qualifications, expertise, track record, integrity and other 'fit and proper' criteria.



3. DISCLOSURE AND TRANSPARENCY

3.1 TFPL is committed to make adequate disclosures based on the principles of transparency, timeliness, fairness and continuity. The Board of Directors and employees of TFPL shall ensure and make necessary disclosures to the Company, the Regulator(s) / Statutory Authorities, the Shareholders, Investors, Members or other stakeholders as may be required by the applicable laws and the codes / policies of TFPL.

The Board of Directors of TFPL or such other person authorized by the Board or any law / regulation, shall ensure that all the disclosures statutorily required to be made on behalf of TFPL are duly made to the Regulatory / Statutory authorities or such other persons as maybe required under applicable laws / regulations.

3.2 The Company shall put up to the board of directors of the Company, at half-yearly intervals, the following:

3.2.1. Review of risk management system and risk management policy and strategy followed by the Company; and

3.2.2. conformity with corporate governance standards viz., in composition of various committees, their role and functions, periodicity of the meetings and compliance with coverage and review functions, etc.

4. CONSTITUTION OF COMMITTEES OF THE BOARD OF DIRECTORS

4.1. The board of directors of the Company shall constitute the following committees:

4.1.1. Risk Management Committee

In accordance with the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, the Company have in place a Risk Management Committee responsible for evaluating the overall risks faced by the Company.

4.1.2. Asset Liability Management Committee

The Company has constituted an Asset-Liability Management Committee 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.



4.1.3. Audit Committee

The Audit Committee constituted by the Company as required under Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 and the Audit Committee thus constituted shall have the same powers, functions and duties as laid down in Section 177 of the Companies Act, 2013.

4.1.4. Nomination and Remuneration Committee

The Company has constituted a Nomination and Remuneration Committee in accordance with the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023. The Nomination Committee shall have the same powers, functions and duties as laid down in Section 178 of the Companies Act, 2013.

4.1.5. Corporate Social Responsibility Committee

In terms of Section 135 of the Companies Act, 2013, the Company has constituted a Corporate Social Responsibility Committee. The Committee has the same powers, functions and duties as laid down in Section 135 of the Companies Act, 2013 and Rules made there under.

4.1.6. Investment Credit Committee

The Company has constituted a Credit Committee responsible for evaluating and approving the proposals of lending / investing or guaranteeing in structures that are approved by the Board.

4.1.7. Grievance Redressal Committee

The company has constituted Grievance Redressal Committee which shall periodically review the Customer Grievance Redressal Mechanism to ensure that process deficiencies, if any, are addressed. The Committee shall also periodically review the Statement of Complaints received, resolved and pending, along with reasons for the same.

5. APPOINTMENT OF STATUTORY AUDITORS

The appointment of statutory auditors shall be in conformity with applicable Guidelines of RBI and other applicable regulatory / legal provisions, if any and to the extent applicable. The Board of Directors of the Company shall appoint the statutory auditors based on the recommendation of the Audit Committee of the Company. The Company shall appoint the statutory auditors for a period of three years (one tenure/term) or any other period as specified by the RBI for appointment of statutory auditors, subject to the Audit firm satisfying the eligibility norms each year.



6. LOAN TO DIRECTORS

Unless sanctioned by the Board of Directors, company shall not grant loans and advances aggregating Rupees five crores and above to-

- (i) Directors (including the Chairman/Managing Director) or relatives of directors.
- (ii) any firm in which any of the directors or their relatives is interested as a partner, manager, employee or guarantor.
- (iii) any company in which any of the directors, or their relatives is interested as a major shareholder, director, manager, employee or guarantor.

Provided that a director or her relatives shall be deemed to be interested in a company, being the subsidiary or holding company, if she is a major shareholder or is in control of the respective holding or subsidiary company.

Provided that the director who is directly or indirectly concerned or interested in any proposal should disclose the nature of her interest to the Board when any such proposal is discussed. She should recuse herself from the meeting unless her presence is required by the other directors for the purpose of eliciting information and the director so required to be present shall not vote on any such proposal.

The proposals for credit facilities of an amount less than Rupees five crore to these borrowers may be sanctioned by the appropriate authority in the Company under powers vested in such authority, but the matter should be reported to the Board.

7. LOANS AND ADVANCES TO SENIOR OFFICERS

NBFCs shall abide by the following when granting loans and advances to their senior officers:

- (i) Loans and advances sanctioned to senior officers of the NBFC shall be reported to the Board.
- (ii) No senior officer or any Committee comprising, inter alia, a senior officer as member, shall, while exercising powers of sanction of any credit facility, sanction any credit facility to a relative of that senior officer. Such a facility shall be sanctioned by the next higher sanctioning authority under the delegation of powers.



8. DISCLOSURE IN ANNUAL FINANCIAL STATEMENTS

The Company shall disclose the in their Annual Financial Statements, such information as prescribed under Reserve Bank (RBI) vide its Master Direction RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 (as updated from time to time).

9. REVIEW OF CORPORATE GOVERNANCE POLICY

These guidelines are be reviewed by the Board of Directors at such intervals as and when deemed necessary in order to align the same with the business requirements. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, are inconsistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

10. COMPANY WEBSITE

The Company will publish this Corporate Governance Policy on its website for the information of various stakeholders.

The Company will abide by this Corporate Governance Policy following the spirit of the Corporate Governance Policy and in the manner it may be applicable to its business.