

Srei Infrastructure Finance Limited

Internal Guidelines on Corporate Governance Framework

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Version	Owner	Approved by	Approval Date
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1. Introduction

The Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated 19th October, 2023 issued by the Reserve Bank of India (RBI) and updated from time to time (**‘Master Directions’**) requires that the NBFCs shall frame their internal guidelines on corporate governance with the approval of the Board of Directors.

Srei Infrastructure Finance Limited (**‘SIFL’** or the **‘Company’**) being a NBFC - Middle Layer (**‘NBFC-ML’**) is accordingly covered by the Master Directions.

The Internal Guidelines on Corporate Governance Framework (**‘Policy’**) provides the framework under which the Board of Directors of the Company operates. It includes Company’s corporate structure, culture, policies and the manner in which it deals with various stakeholders.

The Policy has been framed in accordance with the applicable provisions of the Companies Act, 2013 (**‘Act’**) and the Master Directions issued by RBI.

2. Objectives

The purpose of this Policy is to set a framework for enhancing the scope of the guidelines without sacrificing the spirit underlying the guidelines in the Master Directions and it shall be published on the Company's website, if any, for the information of various stakeholders.

3. Definition

In this Policy, unless the context otherwise requires:

‘Act’

Shall mean the Companies Act, 2013 as amended from time to time;

“Applicable Laws”

Includes Companies Act, 2013, Reserve Bank of India Act, 1934 and Master Direction – Reserve Bank of India (Non-Banking Financial Company –Scale Based Regulation) Directions, 2023 dated 19th October, 2023 issued by the Reserve Bank of India and such other guidelines, directives, circulars as may be issued by the Reserve Bank of India from time to time.

‘Asset-Liability Management Committee’ or ‘ALCO’

Shall mean the Asset Liability Management Committee constituted by the Board in accordance with the Master Directions;

‘Audit Committee’ or ‘ACB’

Shall mean the Audit Committee constituted by the Board in accordance with the Section 177 of the Companies Act, 2013 and the Master Directions;

‘Board of Directors or ‘Board’

Shall mean the collective body of the Directors of the Company;

‘Company’ or ‘SIFL’

Means Srei Infrastructure Finance Limited;



‘Director’

Shall mean a Director appointed to the Board of a company;

‘Independent Director’

Shall mean an Independent Director of the Company within the meaning of the Companies Act, 2013;

‘IT Strategy Committee of the Board’ or ‘ITSC’

Shall mean the IT Strategy Committee of the Board constituted in accordance with the Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated 7th November, 2023;

‘Key Managerial Personnel’ or ‘KMP’

Shall be as defined in Section 2(51) of the Companies Act, 2013;

‘Majority Shareholders’

Shall mean National Asset Reconstruction Company Limited, an asset reconstruction company registered with the Reserve Bank of India under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and a company incorporated under the Companies Act, 2013 with CIN U67100MH2021GOI363511 and India Debt Resolution Company Limited a company incorporated under the Companies Act, 2013 with CIN U67100MH2021PLC366926;

‘Managing Director’ or the ‘Managing Director & CEO’

Shall mean the Managing Director as defined in Section 2(54) of Companies Act, 2013 or any modification or re-enactment made thereunder for the time being in force;

‘Master Directions’

Shall mean the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated 19th October, 2023 issued by the Reserve Bank of India (RBI) and updated from time to time;

‘Nomination and Remuneration Committee’ or ‘NRC’

Shall mean the Nomination and Remuneration Committee constituted by the Board in accordance with the Section 178 of the Companies Act, 2013 and the Master Directions;

‘Policy’

Shall mean this ‘Internal Guidelines on Corporate Governance Framework’ of the Company;

‘Risk Management Committee; or ‘RMC’

Shall mean the Risk Management Committee constituted by the Board in accordance with the Master Directions;

‘Senior Management Personnel’ or ‘SMP’

Shall mean officers / personnel of the Company who are members of its core management team, excluding the Board of Directors. This would include all members of management one level below the Managing Director & CEO and include all functional heads as well as KMPs;



4. Board of Directors

- The Board shall be responsible for exercising its objective business judgments to act in what it reasonably believes to be in the best interests of the Company and its shareholders. The Board of Directors along with its constituted Committees shall provide direction and guidance to the Company and shall further supervise and review the performance of the Company.
- As the Directors occupy fiduciary position, they shall attend and actively participate in Board and its Committee meetings thereof, on which they serve, with fair regularity and conscientiously fulfil his/ her obligations as Director of the Company.
- The Board shall be responsible for overall compliance & monitoring the effectiveness of the Company's governance practices and making changes as needed and shall periodically review Compliance Reports of all laws applicable to the Company prepared by the Company as well as steps taken by the Company to rectify instances of non-compliance.
- The Board shall also ensure the integrity of Company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular system of risk management, financial and operational control, and compliance with the Applicable laws and relevant standards.
- The Board shall ensure that transactions with related parties are reviewed to assess risk and are subject to appropriate resolutions/approvals as required under various Applicable laws and that corporate or business resources of the Company are not misappropriated or misapplied.
- The Board is responsible to act in the best interests of the Company and its shareholders. In discharging their duties, the Directors shall comply with the 'Code of conduct for Board of Directors and Senior Executives' as adopted by the Board.
- The Board of Directors shall have an optimum combination of Executive, Non-Executive and Independent Directors, including Women Directors in accordance with requirements of the Articles of Association of the Company, the Companies Act, 2013 and other statutory, regulatory and contractual obligations of the Company.

4.1 Composition

The Composition of the Board shall be governed by the Articles of Association of the Company read with the applicable provisions of Act and the rules framed thereunder.

As per the Articles of Association of the Company currently, the number of Directors of the Company shall not be less than 3 (three) and not more than 15 (fifteen). However, the Company may at any time appoint more than 15 (fifteen) directors after passing Special Resolution at a General Meeting. The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and applicable law. The Board shall have an optimum combination of executive and Independent Directors and woman Director, as may be prescribed by Law from time to time.

The Company's Board currently consists of 6 Directors, comprising 2 (Two) Nominee Directors,



3 (Three) Independent Directors and 1 (One) Managing Director & CEO. The composition of the Board currently is as follows:

Sr. No.	Name of Director	Designation
1	Mr. N Sivaraman	Chairman (Category Independent Director)
2	Mr. Sunil Srivastav	Independent Director
3	Ms. Anuradha Mitra	Independent Director
4	Mr. P Santhosh	Nominee Director
5	Mr. Avinash Kulkarni	Nominee Director
6	Mr. Hardayal Prasad	Managing Director & CEO

As per the Articles of Association of the Company the Majority Shareholders shall at all times have the right to appoint a Director on the Board of the Company as its nominee and an observer on the sub-committee of the Board.

4.2 Quorum:

The quorum for a Board meeting of the Company shall be one-third of the total strength (any fraction contained in that one third being rounded off as one), or 2 (two) Directors whichever is higher and the Directors participating by video conferencing or by other permitted means shall also be counted for the purpose of Quorum.

However where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of the Directors who are not interested, being not less than 2 (two), shall be the quorum during such time.

The expressions "Interested Director" shall have the meanings given in Section 184(2) of the Act and the expression "total strength" shall have the meaning as given in Section 174 of the Act.

4.3 Board Meetings:

The Company shall hold at least four Board Meetings in a year, with a maximum time gap of not more than one hundred and twenty days between any two consecutive meetings. The minimum information to be statutorily made available to the Board, pursuant to the applicable laws shall be furnished to the Directors.

The Board of Directors may from time to time for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.

5. Committees of the Company

The Company has established Board Level Committees and other Management Level Committees in accordance with the requirements of the Companies Act, 2013, Master Directions and other applicable RBI regulations.

The various Committees are as follows:



I. Board Committees

A. Audit Committee

In accordance with the requirements of Section 177 of the Companies Act, 2013 and the Master Directions, the Audit Committee of the Company shall comprise of minimum of 3 (three) Directors with Independent Directors forming a majority and majority of members including Chairperson being persons with ability to read and understand the financial statement.

The Audit Committee of the Company currently consists of:

Name of Director	Position in the Committee	Designation
Mr. N Sivaraman	Chairman	Independent Director
Mr. Sunil Srivastav	Member	Independent Director
Mr. Avinash Kulkarni	Member	Nominee Director
Ms. Anuradha Mitra	Member	Independent Director

Mr. Manoj Kumar, Company Secretary & CCO shall be the secretary of the Audit Committee.

Frequency of the meetings:

The Audit Committee shall meet as and when required by the Audit Committee itself but it shall meet at least once in every calendar quarter.

Quorum:

The quorum of the meetings of the Audit Committee shall be one third of total strength or 2 (two) Members, whichever is higher, subject to a minimum of 1 (one) Independent Director being present.

Scope and terms of reference of the Audit Committee

The Audit Committee shall have the powers and duties conferred upon it in compliance with the provisions of Section 177 of the Act, Master Directions, other RBI guidelines and such other duties, obligations and powers as may be prescribed by the Audit Charter. The Company has a Board approved Audit Committee Charter in place and required disclosures to the effect are made from time to time.

B. Nomination and Remuneration Committee

In accordance with the requirements of Section 178 of the Companies Act, 2013 and the Master Directions, the Nomination and Remuneration Committee of the Company shall comprise of three or more non-executive directors out of which not less than one half shall be Independent Directors and the Chairperson of the Company (whether executive or non-executive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee.

The Nomination and Remuneration Committee of the Company currently consists of:

Name of Director	Position in the Committee	Designation
Mr. Sunil Srivastav	Chairman	Independent Director
Mr. N Sivaraman	Member	Independent Director
Mr. P Santhosh	Member	Nominee Director



Name of Director	Position in the Committee	Designation
Mr. Avinash Kulkarni	Member	Nominee Director

Mr. Manoj Kumar, Company Secretary & CCO shall be the secretary of the Nomination and Remuneration Committee.

Frequency of the meetings:

The Nomination and Remuneration Committee shall meet as and when required by the Nomination and Remuneration Committee itself but it shall meet at least once in a year.

Quorum:

The quorum of the meetings of the Nomination and Remuneration Committee shall be one third of total strength or 2 (two) Members, whichever is higher, subject to a minimum of 1 (one) Independent Director being present.

Scope and terms of reference of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee shall have the powers and duties conferred upon it in compliance with the provisions of Section 178 of the Act, Master Directions, other RBI guidelines and such other duties, obligations and powers as may be prescribed by the Nomination and Remuneration Charter. The Company has a Board approved Nomination and Remuneration Committee Charter in place and required disclosures to the effect are made from time to time.

C. IT Strategy Committee of the Board

In accordance with the requirements of Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated 7th November, 2023 issued by Reserve Bank of India, the IT Strategy Committee of the Board shall consist of minimum three directors and the Chairperson shall be an Independent director having substantial IT expertise* in managing / guiding information technology initiatives and all the members shall be technically competent@.

*“Substantial IT expertise” means the person has a minimum of seven years of experience in managing information systems and/or leading/ guiding technology/ cyber security initiatives/ projects. Such a member should also understand the business processes at a broader level and the impact of IT on such processes.

@Technically competent herein will mean the ability to understand and evaluate information systems and associated IT/ cyber risks.

The Company has in place an IT Strategy Committee of the Board in accordance with the requirements of Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated 7th November, 2023 issued by Reserve Bank of India. The IT Strategy Committee of the Board currently consists of:

Name of Director	Position in the Committee	Designation
Ms. Anuradha Mitra	Chairperson	Independent Director
Mr. P Santhosh	Member	Nominee Director
Mr. Hardayal Prasad	Member	Managing Director & CEO



Mr. Manoj Kumar, Company Secretary & CCO shall be the secretary of the IT Strategy Committee of the Board.

The Chief Information Security Officer (CISO) and the Head of IT shall be the permanent invitee(s) to the IT Strategy Committee of the Board..

Frequency of the meetings:

The IT Strategy Committee of the Board shall meet as and when required. Moreover the IT Strategy Committee of the Board shall meet at least once on a quarterly basis.

Quorum:

The quorum of the meetings of the IT Strategy Committee of the Board shall be one third of total strength or 2 (two) Members, whichever is higher, subject to a minimum of 1 (one) Independent Director being present.

Scope and terms of reference of the IT Strategy Committee of the Board

The IT Strategy Committee of the Board shall have the powers and duties conferred upon it in compliance with the provisions of Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated 7th November, 2023 issued by Reserve Bank of India and such other duties, obligations and powers as may be prescribed by the IT Strategy Committee of the Board Charter. The Company has a Board approved IT Strategy Committee of the Board Charter in place and required disclosures to the effect are made from time to time.

D. Corporate Social Responsibility Committee

In accordance with the requirements of Section 135 of the Companies Act, 2013, the Corporate Social Responsibility Committee shall consist of three or more directors out of which at least one director shall be an Independent Director.

The Corporate Social Responsibility Committee currently consists of:

Name of Director	Position in the Committee	Designation
Ms. Anuradha Mitra	Chairperson	Independent Director
Mr. Sunil Srivastav	Member	Independent Director
Mr. Avinash Kulkarni	Member	Nominee Director
Mr. Hardayal Prasad	Member	Managing Director & CEO

Mr. Manoj Kumar, Company Secretary & CCO shall be the secretary of the Corporate Social Responsibility Committee.

Frequency of the meetings:

The Corporate Social Responsibility Committee shall meet as and when required but it shall meet at least once in a year.

Quorum:

The quorum of the meetings of the Corporate Social Responsibility Committee shall be one third of total strength or 2 (two) Members, whichever is higher, subject to a minimum of 1 (one) Independent Director being present.

**Scope and terms of reference of the Corporate Social Responsibility Committee**

The Corporate Social Responsibility Committee shall have the powers and duties conferred upon it in compliance with the provisions of the Companies Act, 2013 and such other duties, obligations and powers as may be prescribed by the Corporate Social Responsibility Committee Charter. The Company has a Board approved Corporate Social Responsibility Committee Charter in place and required disclosures to the effect are made from time to time.

E. Wilful Defaulter Review Committee

In accordance with the RBI Master Direction on Treatment of Wilful Defaulters and Large Defaulters dated July 30, 2024, issued by the Reserve Bank of India, the Wilful Defaulter Review Committee means the committee constituted for the purpose of reviewing the proposal of the Identification Committee and shall comprise of the MD/ CEO as chairperson with two independent directors or non-executive directors or equivalent officials serving as members.

The Wilful Defaulter Review Committee currently consists of:

Name of Director	Position in the Committee	Designation
Mr. Hardayal Prasad	Chairperson	Managing Director & CEO,
Mr. Sunil Srivastav	Member	Independent Director,
Ms. Anuradha Mitra	Member	Independent Director,

Mr. Manoj Kumar, Company Secretary & CCO shall be the secretary of the Wilful Defaulter Review Committee.

Frequency of the meetings:

The Wilful Defaulter Review Committee shall meet as and when required but it shall meet at least once in a year.

Quorum:

The quorum of the meetings of the Wilful Defaulter Review Committee shall be the presence of all members.

Scope and terms of reference of the Wilful Defaulter Review Committee

The Wilful Defaulter Review Committee shall have the powers and duties conferred upon it in compliance with the RBI Master Direction on Treatment of Wilful Defaulters and Large Defaulters dated 30.07.2024 issued by RBI, as amended from time to time and such other duties, obligations and powers as may be prescribed by the Wilful Defaulter Review Committee Charter. The Company has a Board approved Wilful Defaulter Review Committee Charter in place and required disclosures to the effect are made from time to time.

F. Credit Committee - I

The Company has constituted Credit Committee – I for all credit proposals and allied matters above Rs. 5 Crores. The current composition of the Credit Committee – I is as follows:



Name of Director	Position in the Committee	Designation
Mr. N. Sivaraman	Chairman	Independent Director,
Mr. P. Santhosh	Member	Nominee Director
Mr. Avinash Kulkarni	Member	Nominee Director
Mr. Hardayal Prasad	Member	Managing Director & CEO

Mr. Manoj Kumar, Company Secretary & CCO shall be the secretary of the Credit Committee – I.

Frequency of the meetings:

The Credit Committee – I shall meet as and when required.

Quorum:

The quorum of the meetings of Credit Committee – I shall be shall be one third of total strength or 2 (two) Members, whichever is higher.

Scope and terms of reference of the Credit Committee - I

The Credit Committee – I shall have the powers and duties as approved by the Board from time to time.

II. Other Mandatory Committees

G. Risk Management Committee

In accordance with the requirements of the Master Directions, the Risk Management Committee of the Company shall consist of minimum three members including at least 1 (one) Director and/ or such other Executives of the Company as may be approved by the Board of Directors of the Company from time to time.

The Risk Management Committee currently consists of:

Name of Member	Position in the Committee
Managing Director & CEO	Chairperson
Chief Financial Officer	Member
Head of IT/Chief Technology Officer (CTO)	Member
Chief Business Officer/Chief Distribution Officer	Invitee
Head of Operations	Invitee
Head of Credit/Chief Credit Officer	Invitee

The Chief Risk Officer/Head of Risk shall be the Non-Member Secretary of the Risk Management Committee.

Frequency of the meetings:

The Risk Management Committee shall meet as and when required by the Risk Management Committee itself but it shall meet at least once in every calendar quarter.

Quorum:

The quorum of the meetings of the Risk Management Committee shall be one third of total strength or 2 (two) Members, whichever is higher.



Scope and terms of reference of the Risk Management Committee

The Risk Management Committee shall have the powers and duties conferred upon it in compliance with the provisions of the Master Directions and other Applicable laws and such other duties, obligations and powers as may be prescribed by the Risk Management Committee Charter. The Company has a Board approved Risk Management Committee Charter in place and required disclosures to the effect are made from time to time.

H. Asset Liability Management Committee

In accordance with the requirements of the Master Directions, the Asset Liability Management Committee of the Company shall consist of minimum three members including at least 1 (one) Director and/ or such other Executives of the Company as may be approved by the Board of Directors of the Company from time to time.

The Master Directions mandate that the Asset Liability Management Committee may consist of the top management of the Company. The Board shall have the overall responsibility for management of liquidity risk. The Board shall decide the strategy, policies and procedures to manage liquidity risk in accordance with the liquidity risk tolerance/limits decided by it . The Asset Liability Management Committee currently consists of:

Name of Member	Position in the Committee
Managing Director & CEO	Chairperson
Chief Business Officer/Chief Distribution Officer	Member
Chief Risk Officer/Head of Risk	Member
Chief Financial Officer	Member
AVP (Treasury I)	Non Member Secretary

AVP (Treasury I) shall be the Non-Member Secretary of the Asset Liability Management Committee.

Frequency of the meetings:

The Asset Liability Management Committee shall meet as and when required by the Asset Liability Management Committee itself but it shall meet at least once in every calendar quarter.

Quorum:

The quorum of the meetings of the Asset Liability Management Committee shall be one third of total strength or 2 (two) Members, whichever is higher.

Scope and terms of reference of the Asset Liability Management Committee

The Asset Liability Management Committee shall have the powers and duties conferred upon it in compliance with the provisions of the Master Directions and other Applicable laws and such other duties, obligations and powers as may be prescribed by the Asset Liability Management Committee Charter. The Company has a Board approved Asset Liability Management Committee Charter in place and required disclosures to the effect are made from time to time.

I. IT Steering Committee

In accordance with the requirements of the Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated 7th November, 2023 issued by



Reserve Bank of India, the IT Steering Committee shall have representation at Senior Management level from IT and business functions.

The IT Steering Committee currently consists of:

Name of Member	Position in the Committee
Head of IT/Chief Technology Officer (CTO)	Chairperson
Chief Business Officer/Chief Distribution Officer	Member
Chief Financial Officer	Member
Chief Risk Officer/Head of Risk	Member
Chief Information Security Officer	Permanent Invitee

AVP/VP IT shall be the Non-Member Secretary of the IT Steering Committee.

The Chief Information Security Officer (CISO) shall be the permanent invitee to the IT Steering Committee.

Frequency of the meetings:

The IT Steering Committee shall meet as and when required by the IT Steering Committee itself but it shall meet at least once in every calendar quarter.

Quorum:

The quorum of the meetings of the IT Steering Committee shall be one third of total strength or 2 (two) Members, whichever is higher.

Scope and terms of reference of the IT Steering Committee

The IT Steering Committee shall have the powers and duties conferred upon it in compliance with the provisions of the Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated 7th November, 2023 issued by Reserve Bank of India and such other duties, obligations and powers as may be prescribed by the IT Steering Committee Charter. The Company has a Board approved IT Steering Committee Charter in place and required disclosures to the effect are made from time to time.

J. Information Security Committee

In accordance with the requirements of the Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated 7th November, 2023 issued by Reserve Bank of India, the Information Security Committee shall be formed under the oversight of the IT Strategy Committee of the Board and shall constitute of the Chief Information Security Officer (CISO) and other representatives from business and IT functions, etc. as may be decided by the IT Strategy Committee of the Board. The head of the Information Security Committee shall be from risk management vertical.

The Information Security Committee currently consists of:

Name of Member	Position in the Committee
Chief Risk Officer/Head of Risk	Chairperson
Chief Information Security Officer	Member
Head of IT/Chief Technology Officer (CTO)	Member
Head of Operations	Member



AVP/VP IT shall be the Non-Member Secretary of the Information Security Committee.

Frequency of the meetings:

The Information Security Committee shall meet as and when required by the Information Security Committee itself but it shall meet at least once in every calendar quarter.

Quorum:

The quorum of the meetings of the Information Security Committee shall be one third of total strength or 2 (two) Members, whichever is higher.

Scope and terms of reference of the Information Security Committee

The IT Steering Committee shall have the powers and duties conferred upon it in compliance with the provisions of the Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated 7th November, 2023 issued by Reserve Bank of India and such other duties, obligations and powers as may be prescribed by the Information Security Committee Charter. The Company has a Board approved Information Security Committee Charter in place and required disclosures to the effect are made from time to time.

K. Committee of Executives for Monitoring and Follow-up of cases of Frauds (CoEMFF)

In accordance with the requirements of the Master Directions on Fraud Risk Management in Non-Banking Financial Companies (NBFCs) (including Housing Finance Companies) dated July 15, 2024 issued by the Reserve Bank of India, the Committee of Executives for Monitoring and Follow up of cases of Frauds (CoEMFF) of the Company shall be formed with a minimum of three members, at least one of whom shall be a Whole-time director or equivalent rank Official for the purpose of performing the roles and responsibilities as required under Master Directions on Fraud Risk Management in Non-Banking Financial Companies (NBFCs) (including Housing Finance Companies) dated July 15, 2024 issued by the Reserve Bank of India.

The CoEMFF currently consists of:

Name of Member	Position in the Committee
Managing Director & CEO	Chairperson
Chief Human Resource Officer	Member
Chief Risk Officer/Head of Risk	Member
Head of IT/Chief Technology Officer (CTO)	Member
Chief Compliance Officer	Member
Head of Legal	Invitee
Chief Financial Officer	Invitee

The Head of Internal Audit shall be the Non-Member Secretary of the CoEMFF.

Frequency of the meetings:

The CoEMFF shall meet as and when required by the CoEMFF itself.

Quorum:

The quorum of the meetings of the CoEMFF shall be one third of total strength or 2 (two) Members, whichever is higher subject to the Managing Director & CEO being present.



Scope and terms of reference of the Information Security Committee

The CoEMFF shall have the powers and duties conferred upon it in compliance with the provisions of the Master Directions on Fraud Risk Management in Non-Banking Financial Companies (NBFCs) (including Housing Finance Companies) dated July 15, 2024 issued by the Reserve Bank of India and such other duties, obligations and powers as may be prescribed by the CoEMFF Charter. The Company has a Board approved CoEMFF Charter in place and required disclosures to the effect are made from time to time.

L. Wilful Defaulter Identification Committee

In accordance with the RBI Master Direction on Treatment of Wilful Defaulters and Large Defaulters dated July 30, 2024, issued by the Reserve Bank of India, the Wilful Defaulter Identification Committee means the committee constituted for identifying a wilful defaulter and shall comprise of an officer not more than one rank below the MD/ CEO as chairperson and two senior officials, not more than two ranks below the chairperson of the committee, as members.

The Wilful Defaulter Identification Committee currently consists of:

Name of Member	Position in the Committee
Chief Risk Officer/Head of Risk	Chairperson
Chief Distribution Officer/Head of Sales	Member
Head of Collection	Member
Head of Credit	Member
Head of Legal	Member

Vice President, Collections shall be the Non-Member Secretary of the Wilful Defaulter Identification Committee.

Frequency of the meetings:

The Wilful Defaulter Identification Committee shall meet as and when required but the said Committee.

Quorum:

The quorum of the meetings of the Wilful Defaulter Identification Committee shall be minimum of three (3) members.

Scope and terms of reference of the Wilful Defaulter Review Committee

The Wilful Defaulter Identification Committee shall have the powers and duties conferred upon it in compliance with the RBI Master Direction on Treatment of Wilful Defaulters and Large Defaulters dated 30.07.2024 issued by RBI, as amended from time to time and such other duties, obligations and powers as may be prescribed by the Wilful Defaulter Identification Committee Charter.

III. Other Committees

M. Credit Committee II

The Company has in place a Credit Committee II for evaluation and sanction of all credit proposals and allied matters above Rs. 1 crore and upto Rs. 5 crores. The Credit Committee II



currently consists of:

Name of Member	Position in the Committee
Managing Director & CEO	Chairperson
Chief Business Officer/Chief Distribution Officer	Member
Chief Risk Officer/Head of Risk	Member
Head of Operations	Member
Head of Credit/Chief Credit Officer	Member Secretary

Head of Credit/Chief Credit Officer shall be the Member Secretary of Credit Committee II.

Frequency of the meetings:

The Credit Committee II shall meet as and when required.

Quorum:

The quorum of the meetings of the Credit Committee II shall be one third of total strength or 2 (two) Members, whichever is higher subject to the Chairman being present.

Scope and terms of reference of the Credit Committee II

The scope and terms of reference of Credit Committee II shall be as approved by the Board of Directors of the Company from time to time.

N. Credit Committee III

The Company has in place a Credit Committee III for evaluation and sanction of all credit proposals and allied matters upto Rs. 1 crore. The Credit Committee III currently consists of:

Name of Member	Position in the Committee
Head of Credit/Chief Credit Officer	Chairperson
Chief Business Officer/Chief Distribution Officer	Member
Chief Risk Officer/Head of Risk	Member
Head of Operations	Member

Vice President/Senior Vice President Credit shall be the Non-Member Secretary of Credit Committee III.

Frequency of the meetings:

The Credit Committee III shall meet as and when required but it shall meet at least once in every calendar quarter.

Quorum:

The quorum of the meetings of the Credit Committee III shall be one third of total strength or 2 (two) Members, whichever is higher.

Scope and terms of reference of the Credit Committee III

The scope and terms of reference of Credit Committee III shall be as approved by the by the Board of Directors of the Company from time to time.

O. Operation Committee

The Company has in place an Operation Committee primarily for reviewing and recommending outsourcing proposals and other allied activities related to outsourcing in line with the Master Directions. The Operation Committee currently consists of:



Name of Member	Position in the Committee
Head of Operations	Chairperson
Chief Business Officer/Chief Distribution Officer	Member
Chief Financial Officer	Member
Head of Administration	Member
Chief Risk Officer/Head of Risk	Invitee
Head of Legal	Invitee

Vice President Operations shall be the Non-Member Secretary of the Operation Committee.

Frequency of the meetings:

The Operation Committee shall meet as and when required by the Operation Committee itself.

Quorum:

The quorum of the meetings of the Operation Committee shall be a minimum of 3 (Three) members.

Scope and terms of reference of the Credit Committee II

The scope and terms of reference of the Operation Committee shall be as approved by the Board of Directors of the Company from time to time and shall inter alia include the roles and responsibilities as mentioned in various policies of the Company viz Outsourcing Policy.

6. Performance Evaluation of Board

- a. The Company believes in conducting its affairs in a fair and transparent manner by adopting the highest standards of personal and professional integrity, honesty and ethical conduct in consonance with the Company's 'Code of Conduct for Board of Directors and Senior Executives';
- b. As a good governance practice, the Company has in place an annual evaluation carried out by the Board of its own performance (self-appraisals) and that of all the Committees and individual directors;
- c. The Nomination and Remuneration Committee shall evaluate the performance of each Director as per the Nomination and Remuneration Policy of the Company and based on their functions as mentioned in the Code of Conduct for Board of Directors and Senior Executives;
- d. The Board shall evaluate the performance of each of the Committee(s) through discussion with the Chairperson(s) of each Committee;
- e. The Board as a whole shall discuss and analyze its own performance during the year together with suggestions for improvement thereon, pursuant to the performance objectives.
- f. In conformity with the requirement of the Companies Act, 2013, the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.



7. Whistle Blower Policy

The Board of Directors of the Company has approved the Vigil Mechanism and Whistle Blower Policy of the Company in line with the provisions of the Companies Act, 2013 and Scale Based Regulation dated 22nd October 2021 issued by the Reserve Bank of India. The Whistle Blower Policy is disclosed on the website of the Company www.srei.com. The Whistle Blower Policy provides a vigil mechanism and an opportunity for directors, employees all stake holders of the Company (business partners, vendors and customers) to blow Whistle against and to report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy.

8. Fit & Proper Criteria

The Company has put in place "Fit & Proper Criteria" for ascertaining the eligibility for appointment/re-appointment of Director of the Company on a continuing basis. The NRC shall carry out adequate due diligence of a person at the time of appointment / reappointment as a Director and/or for continuation as a Director (annually), on the basis of qualifications, expertise, track record, integrity and other 'fit & proper' criteria prescribed under regulatory norms.

The Company shall have a Board approved 'Policy on Fit and proper criteria for Directors' for ascertaining the fit and proper criteria of the directors at the time of appointment, and on a continuing basis. The 'Policy on Fit and proper criteria for Directors' shall be in line with the Master Directions. The Company ensures compliance with the provisions laid down in the Policy on Fit and proper criteria for Directors'.

The Nomination and Remuneration Committee shall ensure fit and proper status of proposed / existing directors. The NRC shall obtain declaration(s) and undertaking from the directors on the lines of the format as prescribed by the Reserve Bank of India ('RBI') from time to time for obtaining certain information on the directors.

The Company shall obtain a declaration and undertaking from the directors giving additional information on the directors and a Deed of Covenant signed by the directors, in the format prescribed in the 'Policy on Fit and proper criteria for Directors'.

The Company shall furnish to the Regional Office of the Department of Supervision, Reserve Bank of India, within 15 days of the close of the respective quarter, a quarterly statement on change of directors, and a certificate from the Managing Director & CEO of the Company that fit and proper criteria in selection of the directors has been followed. The statement submitted for the quarter ending March 31, shall be certified by the auditors.

9. Code of conduct

The Company has in place a 'Code of conduct for Board of Directors and Senior Executives' and due care is taken that the same is being adhered to.

10. Key Managerial Personnel

Except for directorship in a subsidiary of the Company, the Key Managerial Personnel shall not



hold any office (including directorships) in any other NBFCs.

The Company may however broaden the roles of specific KMPs and SMPs of the Company as may be decided and deemed fit by the Managing Director & CEO to perform as Group Functional Head with respect to their Functional areas for all the subsidiaries of the Company.

11. Independent Director

An Independent director shall not be on the Board of more than three NBFCs at the same time. Further, the Company shall ensure that there is no conflict arising out of the Independent Directors of the Company being on the Board of another NBFC at the same time.

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

The Company has in place a Board approved 'Nomination and Remuneration Policy' for compensation to the KMPs and SMPs of the Company in line with the Companies Act, 2013 and the Master Directions.

The Nomination and Remuneration Committee shall recommend to the Board, all remuneration, in whatever form, payable to KMPs and SMPs. The Company has a credible and transparent framework in determining and accounting for the remuneration of KMPs and SMPs.

The NRC shall work in close coordination with Risk Management Committee of the Company to achieve effective alignment between compensation and risks.

13. Disclosures and transparency

The Board of the Company reviews and records the minutes of all the above Board Committee meetings. As part of the Corporate Governance, a compliance requirement has been put in place, wherein a quarterly report regarding compliance with all laws applicable to the Company is placed before the Board for their review.

The Company shall put up to the Board of Directors or its Committee, at regular intervals, as may be prescribed by the Board in this regard, the following:

- a. the progress made in putting in place a progressive risk management system and risk management policy and strategy followed by the NBFC;
- b. 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.

The Company shall also disclose the Disclosures in the Annual Financial Statements information as may be prescribed by the Reserve Bank of India from time to time.

14. Rotation of the Statutory Auditors Audit Firm

In order to protect the independence of the auditors/audit firms, the Company shall appoint the Statutory Auditors for a continuous period of three years, subject to the firms satisfying the eligibility norms each year.

In case of removal of Statutory Auditors before completion of three years tenure, the Company



shall inform concerned Senior Supervisory Manager / Regional Office at RBI about it along with reasons/justifications for the same within a month of such decision being taken.

Rotation of partners of the Statutory Auditor/Audit Firm will be done in accordance with the provisions of the Companies Act, 2013, and the extant RBI Guidelines issued in this regard.

15. Policies adopted by the Company

The Company, in line with the requirement of the Companies Act, 2013, Master Directions, Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated 7th November, 2023 issued by Reserve Bank of India and other Applicable laws and/ or as a matter of Good Corporate Governance Practices has framed and adopted the following policies or any other policies as required from time to time which shall form part and parcel of the overall corporate governance framework of the Company. These policies are reviewed and updated at regular intervals based on statutory requirement or on modification or amendments of various acts, rules, regulations, statutes applicable to the Company. The aforesaid Policies include:

- Related Party Transactions Policy;
- Whistle Blower Policy;
- Policy on Prevention of Sexual Harassment at Workplace;
- Corporate Social Responsibility Policy;
- Compliance Policy;
- Policy on Fit and proper criteria for Directors;
- Internal Guidelines on Corporate Governance Framework;
- Nomination and Remuneration Policy;
- Policy on Board Diversity;
- Fair Practice Code and Ombudsman Scheme;
- KYC & AML Policy;
- Code of Conduct for Board of Directors and Senior Executives;
- Information Security & Cyber Security Policy;
- Information Technology & IT Outsourcing Policy;
- Information Systems (IS) Audit Policy;
- Policy for appointment of Statutory Auditors;
- Credit Policy;
- HR Policy;
- Risk Management Policy & Risk Appetite Framework;
- Investment Policy
- ALM Policy;
- Recovery & Collection Policy;
- Outsourcing Policy;
- Business Continuity & Disaster Recovery Policy;
- Archival Policy & Policy of Preservation of Records;
- Fraud Risk Management Policy;
- ICAAP & Stress Testing Policy;
- ECL Policy & Policy on Impairment of Other Financial Assets;



- Risk Based Internal Audit Policy;
- Environmental Social and Governance (ESG) Policy;
- Interest Rate Policy;
- Policy for Treatment of Wilful Defaulters; and
- Policy on Reporting to Credit Information Companies

16. Review of Policy

This policy shall undergo annual review by the Board from the date of approval of the policy or the date of the subsequent Board meeting after expiry of one year from the date of approval whichever is later. However, reviews and modifications at shorter intervals may be carried out, if deemed necessary by the organization, based on changes in the regulatory guidelines. Such changes shall be carried out through an inter-office memo after obtaining views from relevant stakeholders and approval from Managing Director & CEO. A summary of all such changes shall be tabled to the Board of Directors on a quarterly basis.