



<u><i>IFMR CAPITAL FINANCE PRIVATE LIMITED</i></u>	
<u><i>Charter Name</i></u>	<u><i>Corporate Governance Policy</i></u>
<u><i>Version</i></u>	<u><i>2.0</i></u>
<u><i>Date of approval by the Board</i></u>	<u><i>January 17, 2011</i></u>
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## **GUIDELINES ON CORPORATE GOVERNANCE**

### **Company's Philosophy on Corporate Governance:**

The Company's mission is to provide efficient and reliable access to capital for institutions that impact low-income households, thus working towards the creation of a stable and inclusive financial system in India. To carry on our journey towards our mission, the company 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.

### **Guidelines on Corporate Governance**

In order to enable NBFCs to adopt the best practices and greater transparency in their operations, the Reserve Bank of India and the Ministry of Corporate Affairs have issued guidelines and circulars. The Company has framed the following internal Guidelines on Corporate Governance.

#### **Board of Directors:**

The company believes that a well-functioning, informed Board of Directors is the key to good corporate governance. The Board should have a core group of excellent, professionally acclaimed non-executive directors who understand their dual role, of appreciating the issues put forward by management, and honestly discharging their fiduciary responsibilities towards the company's shareholders as well as creditors.

#### **Code of Conduct:**

For the purpose of this Code, the "senior management" shall mean

- a. Executives who are in the grade of Team Head and above;
- b. All executives directly reporting to the Chief Executive Officer and
- c. Company Secretary

**In performing their functions, the directors, senior management and all the employees of the Company shall:**

- Act honestly, diligently and in good faith and integrity in all their dealings with and for the Company
- Not use any confidential information obtained by them in the course of their official duty, whether from the Company or otherwise, for personal gain, or use/ allow the use of such information for the financial benefit for any other person.

- Not engage in any business, relationship or activity, which might detrimentally conflict with the interest of the Company.
- Maintain the principle of “need to know” and also confidentiality of all material non-public information about the Company, its business and affairs.
- Not to use their status to seek or accept any personal gains or favors from those doing or seeking to do business with the Company or from other employees of the Company
- Not accept, any gifts/ donations/ comparable benefits in cash or kind, if it is likely to lead to a business relationship with the Company, provided that non-cash gifts up to a value not exceeding INR 2000/- or things which can be reciprocated like tickets to events, business meals etc., can be accepted. If refusing a gift beyond this value, would affect a relationship with the Company, the gift may be accepted and handed over to the Company, subject to the approval of the CEO/CRO.
- Not share any information regarding the Company, its business and/ or affairs with media without the prior approval of the CEO/ CRO.

In addition, in performing their Board and Committee functions, the directors/ Members shall:

- Not hold position of director/ advisor with a competitor Company
  - In case a director/Member is on the board of a company/ies engaged in a related business, the Board will specifically take note and approve of these interests.
- Inform the Chairman of changes in their interests that may interfere with their ability to perform their duties, and in the case of “Independent directors”, impact their independence as a Board Member.

This code embodies the belief that acting always with the company’s legitimate interest in mind and being aware of the Company’s responsibility towards its stakeholders is an essential element of the company’s progress towards long term excellence.

#### **Structure of the Board:**

Minimum and Maximum number of directors: As per the Articles of Association of the company the minimum number of directors shall be two and the maximum number of directors at any time shall be 12.

The Board meets at least once in a quarter and more frequently as and when the need arises. The Company is professionally managed through the Board of Directors and through the Committees of the Board of Directors.

#### **Details of the Committees:**

The Board has the power to constitute Committees with specific reference to its scope and functions. The Committees shall act in terms of the scope laid down by the Board and the minutes of the meetings of all Committees shall be placed before the Board.

The Company has the following Committees:

