

Moneyplus

CORPORATE GOVERNANCE POLICY

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CORPORATE GOVERNANCE POLICY

1. PREAMBLE

Corporate Governance may be defined as a set of systems, processes and principles which ensure that a Company is governed to serve the best interest of all its stakeholders. It entails promoting fairness, transparency and accountability.

Moneyplus Financial Services Private Limited (MONEYPLUS) is committed towards superior corporate governance standards by implementing best governance practices. MONEYPLUS firmly believes that good governance offers accountability, transparency, responsiveness, equitability, inclusiveness, effectiveness, efficiency and participation, together with following the rule of law.

Effective corporate governance practices are imperative for achieving and maintaining public trust and confidence in an organisation, which are critical to the proper functioning of the financial sector and the economy as a whole. From a NBFC perspective, corporate governance involves the manner in which the business and affairs of the organisation are governed by their Boards of Directors and senior management and which directly affects how they function.

2. OBJECTIVES OF THE POLICY

The purpose of this policy is to frame internal guidelines on Corporate Governance.

Moneyplus Financial Services Private Limited (hereinafter 'the Company/Moneyplus') believes that a good corporate governance system is necessary to ensure its long term success. The Company ensures good

governance through the implementation of various effective policies and procedures, which is mandated and reviewed by the Board or the Committees of the members of the Board in regular intervals.

The objective of the Corporate Governance Policy ('Policy') is to ensure compliance with legal requirements and set standards for Corporate Governance so that concerned officers act in accordance with the highest standards of governance while working for and on behalf of the Company and also to elaborate on the provisions of applicable law governing information for shareholders. All the concerned are expected to read and understand these guidelines to uphold these standards in day-to-day activities and comply with all applicable policies and procedures.

3. DEFINITIONS

In this Policy, unless the context otherwise requires:

- a) **"Applicable Laws"** means the Companies Act, 2013 & Corporate Governance Directions, by RBI
- b) **"Board of Directors"** or "Board" means the collective body of the directors of the Company;
- c) **"Company"** means **Moneyplus Financial Services Private Limited (hereinafter 'the Company/Moneyplus')**
- d) **"Committees"** means Committees of Board of Directors constituted by virtue of Directions 2015 or other Applicable Laws or created by the Board of Directors for smooth Operations.
- e) **"Corporate Governance"** means a set of relationships between the Company's management, its Board, its shareholders and other stakeholders which provide the structure through which the objectives of the Company are set, and the means of attaining those objectives and monitoring performance. It helps to define the way authority is allocated and the way corporate decisions are arrived at and executed;
- f) **"Director"** means a director appointed to the Board of the Company;
- g) **"Independent Director"** means an independent director defined in Section 2(47) of Companies Act, 2013 or any modification or re-enactment made there under for the time being in force;
- h) **"Risk management"** means the process established to ensure that all material risks and associated risk concentrations are identified, measured, limited, controlled, mitigated and reported on a timely and comprehensive basis;

4. THE BOARD OF DIRECTORS

The Board shall be responsible for exercising its 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 for 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, and shall properly, discharge their responsibilities.

Board of Directors focuses its activity on the determination, supervision, and monitoring of the strategies and general guidelines that must be followed by the Company, and entrusts to the representative management decision making bodies and to the senior officers the dissemination, coordination, and acting in furtherance of the interests of each and every one of the companies forming part thereof.

5. BOARD COMMITTEES

In order to focus on the critical functions of the Company, the Board may constitute such Committees as and when required to ensure smooth functioning of the Company. The Board shall have the following Committees mandatorily:

- i. Management Committee
- ii. Internal Complaint Committee

The terms of reference of the above mentioned Committees shall be determined by the Board from time to time as per the Applicable Laws.

Details of the various Board Committees are as under

MANAGEMENT COMMITTEE

The Management Committee has been constituted by the Board of Directors to facilitate the day to day management of the company.

Composition of Committee:

Name of the Member	Position	Category of Directors
Mr. Nirdosh Gaur	Chairman	Managing Director
Mrs. Kanchan Gaur	Member	Director
Mr Sanjeev Katyal	Member	Head Finance & Accounts

Functions of the Committee

The committee shall be responsible for overseeing and dealing with operational matters from time to time. Such matters include:-

To deliberate and make recommendation to the Board on all transactions and matters relating to the business of the company

The committee will be responsible for regular credit reviews of Moneyplus loans.

To determine the credit worthiness of a borrower,

The committee will conduct a valuation that includes factors, such as the borrower's past repayment history and credit score, along with the amount of available assets and liabilities. Also,

The committee will be involved in assessing the credit standing and ability to repay debt of prospective borrowers.

Other duties of the committee might include determining the company's credit policy and spotting potential risks of various transactions assumed by the institution.

INTERNAL COMPLAINT COMMITTEE

Every complaint covered under Prevention of Sexual Harassment at Workplace received shall be forwarded to internal complaint committee formed under the policy for redressal. The investigation shall be carried out by Internal Complaints Committee constituted for this purpose.

Internal Complaints Committee has been constituted of the following members as nominated by the Company:

- A woman employee employed at a senior level amongst the employees shall act as Presiding officer of the committee.
- Not less than 2 members from amongst employees preferably committed to the cause of women OR who have had experience in social work OR have legal knowledge.
- One member shall be from amongst Non-governmental organizations OR associations committed to the cause of women OR a person familiar with the issues relating to sexual harassment.

The Name of the Members of the Internal Complaints Committee is as per the Policy and any change in such composition shall be effected in the policy. At least half the total members of the Committee have to be women. The Presiding Officer and every member shall hold office for such period, not exceeding three years, from the date of their nomination as may be specified by the employer

6. POLICIES OF THE COMPANY

Presently the Company has adopted and revised from time to time the following Policies as approved by the Board and various Committees of the Company subject to provisions contained in the RBI Regulations / Directions, the Companies Act, 2013 and other Applicable Laws –

1. Risk Policy
2. Fair Practices Code
3. Know Your Customer (KYC) and Anti-Money Laundering (AML) Policy
4. Prevention of Sexual Harassment Policy
5. Interest Rate Policy

The Company shall also adopt such Policies as approved by the Board and/or its various Committees from time to time as may be required by any Direction of RBI and Applicable Laws.

7. REPORTING TO THE BOARD

The reports from all the aforesaid Committees of the Board are shared with the Board on a periodic basis. Further, minutes of all Committee meetings as confirmed by the Committee are placed at the next Board Meeting for review.

In addition to the mandatory reports to be reviewed by the Board on quarterly/ half yearly/ annual basis, the indicative list of reports which are regularly placed before the Board comprises of:

- 1) Business plan for the next 5 years
- 2) Annual Plan

- 3) Quarterly performance vis a vis Achievements
- 4) Audit Reports – Internal and External
- 5) Financial Statements
- 6) Credit Proposals for approval or ratification

8. Disclosure to the Board

The following disclosures shall be made to the Board of Directors at regular intervals as may be prescribed by the Board in this regard:

1. Progress made in putting in place a progressive risk management system, and risk management policy and strategy followed;
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.

The following disclosures shall be made in the annual financial statements:

1. Registration / licence / authorisation by whatever name called, obtained from other financial sector regulators;
2. Ratings assigned by credit rating agencies and migration of ratings during the year;
3. Penalties, if any, levied by any regulator;
4. Asset-liability profile, Non Performing Assets (NPA) and movement of NPAs, details of all off-balance sheet exposures, structured products issued by them as also securitization/ assignment transactions and other disclosures.

9. REVIEW OF POLICY

The Board or its Committee may review the policy from time to time as may be required.

Changes, if any, shall be effective only upon approval by the Board.