



Sammaan Finserve Limited
(Formerly Indiabulls Commercial Credit Limited)

INTERNAL GUIDELINES ON CORPORATE
GOVERNANCE

(Reviewed and Approved by the Board in its meeting held on dated 03-02-2026)

CORPORATE GOVERNANCE PHILOSOPHY OF THE COMPANY

Sammaan Finserve Limited (hereinafter referred as “the Company” or “Sammaan” or “SFL”) (formerly known as Indiabulls Commercial Credit Limited) is committed towards achieving the highest standards of Corporate Governance by staying true to its core values of Customer First, Transparency, Integrity and Professionalism. Sammaan stands as a trusted partner, respecting and nurturing millions of dreams of home and business. Every handshake is a promise, and every loan a foundation of respect for uniting dreams with opportunities for all. Sammaan with its moto “Jiyo Sammaan Se’ values the Dignity of an individual and aligns the vision of the Company with its stakeholders to synergize and create long term value together. Efficient and effective business operations are important to a Company’s success, as it directly impact profitability, customer satisfaction and competitive advantage.

The Company’s philosophy on corporate governance is to adopt changes on corporate level in such a transparent manner that focuses on long term value creation of the Company and its stakeholders in a sustainable manner.

The Company has also undergone rebranding activity and changed its name to Sammaan Finserve Limited. The change in name is the latest milestone in Company’s continuing larger journey towards best-in-class corporate governance. The Company believes that success requires the highest standards of corporate behavior and engagement with all of its Stakeholders. This is the path to consistent, competitive, profitable and responsible growth, and for creating long-term value for its Shareholders, its Employees and Business Partners.

RESERVE BANK OF INDIA GUIDELINES ON CORPORATE GOVERNANCE

In terms of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023 issued by the Reserve Bank of India (“RBI”) [“Directions”], NBFCs are required to frame their internal guidelines on Corporate Governance with the approval of Board of Directors and ensure compliance of the provisions prescribed in the Directions. In pursuance of the aforesaid Directions, the Company had framed the following internal Guidelines on Corporate Governance.

BOARD OF DIRECTORS

The Board along with its various Committees, provides leadership and guidance to the Company’s management and directs, supervises and ensures functioning of the Company in the best interest of all the stakeholders. The Board of Directors plays a crucial role in overseeing how the management serves the short and long-term interests of stakeholders.

The Company’s Board shall be constituted of experienced professionals from diverse backgrounds. The constitution of the Board shall be in compliance with the Companies Act, 2013 (the Act), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (SEBI LODR) and shall be in accordance with the highest standards of Corporate Governance, which ensures an appropriate mix of Executive, Non-Executive, Woman and Independent Directors with demonstrated skill sets and relevant experience.

Within the permissible limits in terms of Act, an independent directors of the Company

shall not be on the Board of more than three NBFCs (NBFCs-ML or NBFCs-UL) at the same time. Further, the Board of the NBFC shall ensure that there is no conflict arising out of their independent directors being on the Board of another NBFC at the same time.

As per the Company's Articles of Association, the Board's strength is required to be a minimum of three and a maximum of Twelve directors.

The Directors shall act in accordance with the duties as provided under the Act and the Independent Directors shall abide by the Code for Independent Directors under Schedule IV of the Act and SEBI LODR.

COMMITTEES OF THE BOARD

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board shall constitute various Committees, as prescribed under the Act, SEBI LODR and RBI Directions, with specific terms of reference / scope, to take informed decisions in the best interest of the Company, according to these Acts, Regulations and Directions. These Committees shall monitor the activities falling within their terms of reference. The minutes of the meetings of all Committees of the Board shall be placed before the Board for discussions / noting.

a) Audit Committee

The Audit Committee shall have the same composition, powers, functions & duties as laid down in section 177 of the Act, SEBI LODR and RBI Directions. The Committee shall *inter alia* ensure that an Information System audit of the internal systems and processes is conducted at least once annually to assess operational risks faced by the Company.

The terms of reference of the Audit Committee, inter-alia, include:

- To oversee the financial reporting process and disclosure of financial information;
- To review with management, quarterly, half yearly and annual financial statements and ensure their accuracy and correctness before submission to the Board;
- To review with management and internal auditors, the adequacy of internal control systems, approving the internal audit plans/ reports and reviewing the efficacy of their function, discussion and review of periodic audit reports including findings of internal investigations;
- To recommend the appointment of the internal and statutory auditors and their remuneration;
- To review and approve required provisions to be maintained as per IRAC norms and write off decisions;
- To hold discussions with the Statutory and Internal Auditors;
- Review and monitoring of the auditor's independence and performance, and effectiveness of audit process;
- Examination of the auditors' report on financial statements of the Company (in addition to the financial statements) before submission to the Board;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Review of Credit Concurrent Audit Report/ Concurrent Audit Report of Treasury;

- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Monitoring the end use of funds raised through public offers and related matters as and when such funds are raised and also reviewing with the management the utilisation of the funds so raised, for purposes other than those stated in the relevant offer document, if any and making appropriate recommendations to the Board in this regard;
- Evaluation of the risk management systems (in addition to the internal control systems);
- Review and monitoring of the performance of the statutory auditors and effectiveness of the audit process;
- To hold post audit discussions with the auditors to ascertain any area of concern;
- To review the functioning of the whistle blower mechanism;
- Approval to the appointment of the CFO after assessing the qualifications, experience and background etc. of the candidate;
- Approval of Bad Debt Write Off in terms of the Policy;
- Review of information system audit of the internal systems and processes to assess the operational risks faced by the Company and also ensures that the information system audit of internal systems and processes is conducted periodically; and
- Reviewing the utilisation of loans and/or advances and/or investment by the Company to its subsidiary companies, exceeding ₹100 crores or 10% of the assets side of the respective subsidiary companies, whichever is lower, including existing loans / advances / investment existing as on April 01, 2019.

b) Nomination and Remuneration Committee

The Nomination and Remuneration Committee (“N&R Committee”) shall have the same composition, powers, functions & duties as laid down in section 177 of the Act, SEBI LODR and RBI Directions. The Committee shall inter-alia ensure fit & proper status of proposed/ existing directors.

The terms of reference of the N&R Committee, inter-alia, include:

- Formulation of 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;
- Formulation of criteria for evaluation of performance of Independent Directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- 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;
- To ensure ‘fit and proper’ status of proposed/ existing directors;
- To recommend to the Board all remuneration, in whatever form, payable to Directors, KMPs and senior management;

c) CSR Committee

The Corporate Social Responsibility Committee (“CSR”) shall have the same composition, powers, functions & duties as laid down in the Act.

The terms of reference of the CSR, inter-alia, include:

- To recommend to the Board, the CSR activities to be undertaken by the Company.
- To approve the expenditure to be incurred on the CSR activities.
- To oversee and review the effective implementation of the CSR activities.
- To ensure compliance of all related applicable regulatory requirements.

d) Risk Management Committee

The Risk Management Committee (“RMC”) shall have the same composition, powers, functions & duties as laid down in the SEBI LODR and RBI Directions. The Committee shall manage the integrated risks.

The terms of reference of the RMC, inter-alia, include:

- Review of Grievance Redressal Mechanism and Customers Services
- Approve the Credit/Operation Policy and its review/modification from time to time;
- Review of applicable regulatory requirements;
- Approve all the functional policies of the Company;
- Place appropriate mechanism in the system to cater Fraud while dealing with customers/approval of loans etc;
- Review of profile of the high loan Customers and periodical review of the same;
- Review of Branch Audit Report;
- Review Compliances of lapses;
- Review of implementation of FPCs, KYC and PMLA guidelines;
- Define loan sanctioning authorities, including process of vetting by credit committee, for various types/values of loans as specified in Credit Policy approved by the Board;
- Recommend Bad Debt Write Off in terms of the Policy, for approval to Audit Committee;
- Ensure appropriate mechanisms to detect customer fraud and cyber security during the loan approval process etc.;
- Evaluation of the risk management systems (in addition to the internal control systems);
- Recovery action on NPA cases to be approved/ratified by the committee;
- Approval of waiver of charges accrued but not recognized/booked’ For NPA cases;
- Any other matter involving Risk to the asset/business of the Company.

e) Asset Liability Management Committee

The Asset Liability Management Committee (“ALCO”) shall have the same composition, powers, functions & duties as laid down in the RBI Directions. The Committee shall monitor the asset liability gap and strategize the risk

The terms of reference of the ALCO, inter-alia, include:

- Review of Assets and Liabilities position of the Company and Liquidity risk Management and give directions to Finance/Treasury Team in the event of ALM mismatches beyond permissible limit as set out by the Committee.
- Management of Interest Risk and product pricing, launching of new products
- Periodical review of PLR and recommend for change for the benchmark rate of the Company
- Approval of Inter corporate loans to holding company and the associate companies.
- To measure the future cash flow as per maturity profile.
- Analyzing various risks like liquidity risk, interest rate risk, investment risk and business risks.
- Assessment of opportunity cost and maintenance of liquidity.
- Evaluate market risk involved in launching of new products.
- Decide the transfer pricing policy of the Company.
- To approve the business plan, targets and their regular reviews.

f) Stakeholders Relationship Committee

The Stakeholders Relationship Committee (“SRC”) shall have the same composition, powers, functions & duties as laid down in the Act and SEBI LODR.

The terms of reference of the SRC, inter-alia, include:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares/Debentures, non-receipt of annual report, non-receipt of declared dividends/interest, issue of new/duplicate certificates, general meetings etc.,
- Review of measures taken for effective exercise of voting rights by shareholders,
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

g) IT Strategy Committee

The IT Strategy Committee (“ITSC”) shall have the same composition, powers, functions & duties as laid down in the RBI’s Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated November 7, 2023.

The terms of reference of the ITSC, inter-alia, include:

- (a) REs shall establish a Board-level IT Strategy Committee (ITSC).
- (b) While constituting the ITSC, REs shall ensure:
 - (i) Minimum of three directors as members;
 - (ii) The Chairperson of the ITSC shall be an independent director and have substantial IT expertise in managing/ guiding information technology initiatives; and
 - (iii) Members are technically competent.
- (c) The ITSC shall meet at least on a quarterly basis.
- (d) The ITSC shall:
 - (i) Ensure that the RE has put an effective IT strategic planning process in place.
 - (ii) Guide in preparation of IT Strategy and ensure that the IT Strategy aligns with the overall strategy of the RE towards accomplishment of its business objectives.
 - (iii) Satisfy itself that the IT Governance and Information Security Governance structure fosters accountability, is effective and efficient, and has adequate skilled resources, well defined objectives and unambiguous responsibilities for each level in the organization.
 - (iv) Ensure that the RE has put in place processes for assessing and managing IT and cybersecurity risks.
 - (v) Ensure that the budgetary allocations for the IT function (including for IT security), cyber security are commensurate with the RE's IT maturity, digital depth, threat environment and industry standards and are utilised in a manner intended for meeting the stated objectives; and
 - (vi) Review, at least on annual basis, the adequacy and effectiveness of the Business Continuity Planning and Disaster Recovery Management of the RE.

RE: Regulated Entity i.e. SFL

SHAREHOLDERS

The Shareholders of the Company shall be informed of details regarding the appointment or re-appointment of a Director.

DISCLOSURES

The Company shall make the disclosures required to be made under the Act and the Rules framed there under, the SEBI LODR, the RBI Guidelines and such other laws and regulations as may be applicable to the Company.

CEO/CFO CERTIFICATION

The CEO i.e. the Managing Director and the CFO shall make the necessary certifications regarding the Financial Statements, internal controls, etc. to the Board.

COMPLIANCE OFFICER

The Board of Directors shall designate a Compliance Officer to ensure compliance with applicable laws.

POLICIES ADOPTED BY THE COMPANY

The Company shall adopt such policies, as may be required to adopt under the Act, the SEBI LODR, the RBI Guidelines and such other laws and regulations as may be applicable to the

Company. The adopted policies shall be reviewed by the Board, from time to time.

Chief Risk Officer (CRO)

The Company shall have Chief Risk Officer (CRO) with clearly specified role and responsibilities. The CRO shall function independently so as to ensure highest standards of risk management in the Company. The Board shall put in place “Policy on Role, Appointment & Independence of Chief Risk Officer”, which shall cover all critical clauses with respect to – Qualification, Appointment, Position/ Rank, Term, Roles & Responsibilities of the CRO besides clauses to safeguard the Independence of CRO.

Fit and Proper Criteria’ for the Directors

The Company shall ensure ‘Fit and Proper Criteria’ for the Directors and ensure that a policy is put in place with the approval of the Board of Directors for ascertaining the ‘fit and proper’ criteria of the directors at the time of appointment, and on a continuing basis. The policy on the ‘fit and proper’ criteria shall be on the lines of the guidelines contained in RBI Directions. It shall obtain, Declaration and Undertaking (D&U) from the directors giving additional information on the directors and Deed of Covenant (DoC) signed by the directors [D&U and DoC shall be on the lines of the formats given in RBI Directions.

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

The Key Managerial Personnel of Company shall not hold any office (including directorships) in any other NBFC-ML or NBFC-UL.

The Company shall have a system for disclosure to the Board at regular intervals on the following:

- Risk Management Framework and Risk Management policy and strategy followed; and
- Conformity with the prescribed 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 make the necessary disclosures in the Annual Report as required under RBI Directions.

The Company shall have separate compensation policy in conformity with applicable statutory mandates and the rules and Directions / Guidelines issued by RBI.

The above guidelines shall be periodically reviewed and brought in conformity with statutory and regulatory requirements.

The above guidelines are in addition and not in derogation of the Corporate Governance Practices adopted by the Company under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of any other laws, rules, regulations or directions, for the time being in force.