



Statement of Composition and Terms of Reference

I. Board of Directors

- a. Currently, there are nine directors on our board, comprising one Managing Director, four non-executive Directors and four independent Directors, which includes two woman Directors.

Name of Director	DIN	Designation	
Thomas John Muthoot	00011618	Director	Non-Executive
Thomas George Muthoot	00011552	Director	Non-Executive
Thomas Muthoot	00082099	Managing Director	Executive
Thomas Muthoot John	07557585	Director	Non-Executive
Kenneth Dan Vander Weele	02545813	Director	Non-Executive
Alok Prasad	00080225	Independent Director	Non-Executive
Pushpy Muricken	03431198	Independent Director	Non-Executive
T S Vijayan	00043959	Independent Director	Non-Executive
Bhama Krishnamurthy	02196839	Independent Director	Non-Executive

- i) None of the independent directors serve as an independent director in more than seven listed companies;
- ii) None of the independent directors who serve as a whole-time director in any listed company serve as independent director in more than three listed companies;
- iii) None of the directors of the Company, is a member of more than ten committees, across all public limited companies in which he/she is a director; and
- iv) None of the directors of the Company, is a chairman of more than five committees across all public limited companies in which he/she is a director.

II. COMMITTEES OF BOARD

- a. **Audit Committee:** The constitution of this Committee is in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), as amended.

The details of its terms of reference as approved by the Board of Directors of the Company are given below:

1. Overseeing the Company’s financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
2. Recommending to the Board the appointment, re-appointment and replacement, remuneration and terms of appointment of the statutory auditor of the Company and the fixation of audit fee;
3. Reviewing and monitoring the statutory auditor’s independence and performance, and effectiveness of audit process;

4. Approving payments to statutory auditors for any other services rendered by the statutory auditors;
5. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013, as amended;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions; and
 - g. Modified opinion(s) in the draft audit report.
6. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
7. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed Offer by the Company;
8. Approval or any subsequent modifications of transactions of the Company with related parties;
9. Scrutinizing of inter-corporate loans and investments;
10. Valuing of undertakings or assets of the Company, wherever it is necessary;
11. Evaluating of internal financial controls and risk management systems;
12. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances
13. Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
14. Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
15. Discussing with internal auditors on any significant findings and follow up there on;
16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
17. Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

19. Reviewing the functioning of the whistle blower mechanism;
20. Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate; and
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.”

Powers of the Audit Committee

1. To investigate any activity within its terms of reference;
2. To seek information from any employee;
3. To obtain outside legal or other professional advice;
4. To secure attendance of outsiders with relevant expertise, if it considers necessary; and
5. To have full access to information contained in the records of the Company.

Mandatory review by Audit Committee:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters/ letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and
6. Statement of deviations in terms of the SEBI Listing Regulations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of regulation 32 (1) of the SEBI Listing Regulations; and
 - (b) annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of regulation 32 (7) of the SEBI Listing Regulations.

The Audit Committee consists of following Directors:

Name of Director	Nature of Directorship	Designation
Mrs. Pushpy Muricken	Independent	Chairperson
Mrs. Bhama Krishnamurthy	Independent	Member
Mr. Alok Prasad	Independent	Member
Mr. Kenneth Dan Vander Weele	Non-Executive	Member
Mr. Thomas Muthoot	Executive	Member

- b. Nomination and Remuneration Committee (NRC):** This Committee is constituted in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”). The Company has a Board approved Nomination and Remuneration Policy in place.

The terms of reference of the Nomination and Remuneration Committee include the following:

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulating of criteria for evaluation of the independent directors and the Board;
3. Devising a policy on Board diversity;

4. Identifying persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal, and carrying out evaluations of every director's performance;
5. Determining 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;
6. Recommending to the Board, all remuneration, in whatever form, payable to senior management;
7. Determining the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
8. Determine compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;
9. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
10. Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee; and
11. Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, including the following:
 - (a) administering employee stock option schemes, employee stock purchase schemes, stock appreciation rights schemes, general employee benefits scheme and retirement benefit schemes (the "**Schemes**");
 - (b) delegating the administration and superintendence of the Schemes to any trust set up with respect to the Schemes;
 - (c) formulating detailed terms and conditions for the Schemes including provisions specified by the board of directors of the Company in this regard;
 - (d) determining the eligibility of employees to participate under the Schemes;
 - (e) granting options to eligible employees and determining the date of grant;
 - (f) determining the number of options to be granted to an employee;
 - (g) determining the exercise price under the Schemes; and
 - (h) construing and interpreting the Plan and any agreements defining the rights and obligations of the Company and eligible employees under the Schemes, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the Schemes; and
12. Framing suitable policies and systems to ensure that there is no violation of securities laws, the Company, its employees or trust set up with respect to the Schemes, if any, of any applicable laws in India or overseas, including: the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended.

The Nomination and Remuneration Committee is comprised of:

Name of Director	Nature of Directorship	Designation
Mr. T S Vijayan	Independent	Chairman
Mrs. Bhama Krishnamurthy	Independent	Member
Mr. Kenneth Dan Vander Weele	Non-Executive	Member
Mr. Thomas Muthoot John	Non-Executive	Member

- c. **Corporate Social Responsibility Committee (CSR):** This Committee is constituted in compliance with the provisions of Section 135 of the Companies Act, 2013. The Company has a Board approved Corporate Social Responsibility Policy in place.

The terms of reference of the CSR Committee is in accordance with Section 135 (3) of the Companies Act, 2013 and is as under:

- Formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- Recommend to the Board the amount of expenditure to be incurred on the CSR activities referred to in (i) above; and
- Monitor the CSR policy of the Company from time to time.

The CSR Committee is comprised of:

Name of Director	Nature of Directorship
Mr. Thomas Muthoot	Executive Director
Mr. Thomas George Muthoot	Non-Executive
Mr. Thomas John Muthoot	Non-Executive
Mr. Alok Prasad	Independent

d. Stakeholders Relationship Committee: This Committee is constituted in compliance with the provisions of Section 178(5) the Companies Act, 2013 and Regulation 20 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”).

1. Resolving the grievances of the securities holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates any other documents or information to be sent to the Company to its shareholders, general meetings etc.;
2. Reviewing measures taken to exercise of voting rights by shareholders;
3. Reviewing adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
4. Reviewing the various measures and initiatives taken by the Company for reducing quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company; and
5. Carrying out any other function as prescribed under the Listing Regulations, Companies Act, 2013 and the rules and regulations made thereunder, each as amended or other applicable law.”

The Stakeholders Relationship Committee is comprised of:

Name of Director	Nature of Directorship	Designation
Mr. Thomas John Muthoot	Non-Executive	Chairman
Mr. Thomas Muthoot	Executive Director	Member
Mr. Alok Prasad	Independent	Member
Mr. Sadaf Sayeed	CEO	Member
Mr. Praveen T	CFO	Member

e. Asset Liability Management Committee (ALCO): The Company has constituted an Asset Liability Management Committee in terms of RBI Circular DNBR (PD) CC.No.053/03.10.119/2015-16 July 03, 2015. The Company has a Board approved Asset Liability Management Policy in place. ALCO is vested with the responsibilities of monitoring the risk and to make suitable strategies to control it. The terms of reference are as below:

- Addressing concerns regarding asset liability mismatches;
- Achieving optimal return on capital employed while maintaining acceptable levels of risk relating to liquidity;
- Addressing concerns regarding interest rate risk exposure; and
- Review the periodical returns submitted to RBI every year;
- Monitor and review the cost of funds and the net interest margin;
- To do such other acts, deeds and things as may be directed by the Board and required to comply with the applicable laws.

The ALCO is comprised of:

Sl. No	Name of Members	Designation
1.	Mr. Thomas John Muthoot	Non-Executive Director
2.	Mr. Thomas George Muthoot	Non-Executive Director
3.	Mr. Thomas Muthoot	Executive Director
4.	Mr. Sadaf Sayeed	Chief Executive Officer

- f. **Risk Management Committee:** This Committee is constituted in compliance with the provisions of the Companies Act, 2013 and RBI Circular DNBR (PD) CC.No.053/03.10.119/2015-16 July 01, 2015. The Company has a Board approved Risk Management Policy in place. The terms of reference are as below:

- To monitor and review the risk management plan;
- To review operational risk
- To take strategic actions to mitigate the risk associated with the nature of the business;
- To appraise the Board of Directors at regular intervals regarding the process of putting in place a progressive risk management system, risk management policy and strategy;

The Risk Management is comprised of:

Sl. No	Name of Members	Designation
1.	Mr. Thomas John Muthoot	Non-Executive Director
2.	Mr. Thomas George Muthoot	Non-Executive Director
3.	Mr. Thomas Muthoot	Executive Director
4.	Mr. Sadaf Sayeed	Chief Executive Officer

- g. **Borrowing Committee:** The Company has a Borrowing Committee to exercise all powers to borrow moneys (otherwise than by issue of debentures) and taking necessary actions connected therewith. The terms of reference are as below:

- To borrow any amounts within the limit of Borrowing Powers of the Company
- To assign/ sell the loan portfolio of the Company to any Banks/ Financial Institution
- To open branches in the name of the Company
- To open and operate Bank accounts
- To sub delegate its powers to the officers/ representatives of the Company

The Borrowing Committee is comprised of:

Sl. No	Name of Members	Designation
1.	Mr. Thomas John Muthoot	Non-Executive Director
2.	Mr. Sadaf Sayeed	Chief Executive Officer
3.	Ms. Praveen T	Chief Financial Officer