

INTERNAL GUIDELINES ON CORPORATE GOVERNANCE

LENDINGKART FINANCE LIMITED

INTERNAL GUIDELINES ON CORPORATE GOVERNANCE

(last approved on July 10, 2025)

INTERNAL GUIDELINES ON CORPORATE GOVERNANCE

INTERNAL GUIDELINES ON CORPORATE GOVERNANCE

I. INTRODUCTION

Lendingkart Finance Limited (the “**Company**”) is a Non- Banking Financial Company. In terms of the RBI Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (“the Master Direction”), every Non-Banking Financial Company categorized as Middle Layer (NBFC - ML) should frame internal guidelines on corporate governance with the approval of the Board of Directors, enhancing the scope of the guidelines without sacrificing the spirit underlying the Directions and it shall be published on the company's website, if any, for the information of various stakeholders. The Company being an NBFC– ML, is accordingly covered by the aforesaid Directions. The Company is not considered as a High Value Debt Listed entity as on 31 March 2025 , however the Company voluntarily complies with Chapter VA of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI LODR**”)

The Company is committed to adopt good practices and standards of corporate governance. The principles of corporate governance standards of the Company place strong emphasis on transparency, accountability and integrity.

II. OBJECTIVE

In order to enable NBFCs to adopt best practices and greater transparency in their operations, RBI has, vide the provisions of Chapter XI of the Master Direction required all applicable NBFCs to frame internal guidelines on Corporate Governance.

In pursuance of the aforesaid Directions issued by the RBI, the Company has framed these Internal Guidelines on Corporate Governance (“**Guidelines**”).

III. GOVERNANCE STRUCTURE

A. BOARD OF DIRECTORS

The Company’s management shall act in accordance with the supervision, control and direction by the Board of Directors of the Company (“**Board**”) and in accordance with the provisions of Memorandum of Association (MoA) and Articles of Association (AoA) of the Company. The Board has a vital role to play in the matters relating to policy formulation, implementation and strategic issues.

Composition:

The Board's strength shall be minimum 3 (three) and the maximum number of directors be as per the limit specified in the Companies Act, 2013 (“**Act**”) and the

INTERNAL GUIDELINES ON CORPORATE GOVERNANCE

AoA of the Company.

Further, the Board shall have an optimum combination of executive and non-executive directors with at least 1 (one) woman director and not less than 50% (fifty per cent) of the Board shall comprise of non-executive directors. in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("Listing Regulations").

Additionally, where the chairperson of the Board is a non-executive director, at least 1/3rd (one-third) of the Board shall comprise of independent directors and where the listed entity does not have a regular non-executive chairperson, at least 1/2 (half) of the board of directors shall comprise of independent directors.

Provided that where the regular non-executive chairperson is a promoter of the listed entity or is related to any promoter or person occupying management positions at the level of board of director or at one level below the board of directors, at least 1/2 (half) of the board of directors of the listed entity shall consist of independent directors.

The Board shall have an optimum combination of Executive, Non-Executive and Independent Directors in line with the requirements of the provisions of the Act, Listing Regulations and the AoA of the Company.

Pursuant to provisions of the Act, a Director shall not hold the office of Director in more than 20 companies and the maximum number of directorships in public companies shall not be more than 10. Further, pursuant to the Listing Regulations, directors of the Company shall additionally ensure that:

- he / she shall not be a Director in more than seven *listed entities

Provided that a person may serve as an independent director in not more than seven listed entities.

- whole-time director / managing director shall serve as an independent director in not more than three equity listed entities

*The number of listed entities on which a person is a director / independent director shall be cumulative of those whose equity shares are listed on a stock exchange and High value debt listed entities (HVDLE).

Further, an independent director shall not be on the Board of more than three NBFCs (NBFCs-ML or NBFCs-UL) at the same time.

None of the Directors on the Company's Board shall be a Member of more than 10 Board Committees and Chairperson of more than 5 Board Committees (Committees being Audit Committee and Stakeholders Relationship Committee) across all public companies including HVDLEs in which they are Directors.

The Board shall ensure that there is no conflict arising out of their independent directors being on the Board of another NBFC at the same time.

INTERNAL GUIDELINES ON CORPORATE GOVERNANCE

Any vacancy in the office of a Director shall be filled by the Company at the earliest and in no case later than 3 months from the date of such vacancy. If the Board structure becomes non-compliant with the composition mentioned herein due to expiration of term of office of any director, the Company shall fill up such vacancy on the date when such vacancy occurs. However, if the Board structure remains compliant even without filling up such vacancy, the Company may choose not to fill up such vacancy in the office of the director.

Meetings:

The Board Meetings of the Company shall be held as per the requirements prescribed under the Act, Listing Regulations, AoA of the Company and other applicable laws.

Subject to the provisions of Section 173 of the Act and Regulation 62D(6) of the Listing Regulations, the Board shall meet not less frequently than 4 (four) times per year (calendar year and financial year) and once every 120 (one hundred and twenty) days.

The Company shall comply with all the procedural norms, including the quorum requirements, provided under the Act, AoA of the Company and any other applicable law(s) for smooth conduct of the meetings.

All the proceedings of the meetings shall be duly recorded in the minutes, which shall be prepared, signed and circulated as per the provisions of Act.

B. COMMITTEES OF THE BOARD

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board shall constitute a set of board level committees with specific terms of reference/scope.

The terms of reference, roles and responsibilities of such committees will be further aligned based on the changes in the regulations and business requirements with the approval of the Board. Minutes of the meetings of the Board Committees shall be placed before the Board for its perusal and noting.

The following are the Board committees which shall operate as per the terms of reference approved by the Board.

1. AUDIT COMMITTEE

The Audit Committee's constitution and functioning shall be as decided by the Board of Directors of the Company. The powers and terms of reference of the Committee shall include the requirements set out in Section 177 of the

INTERNAL GUIDELINES ON CORPORATE GOVERNANCE

Act and the relevant Rules framed thereunder, the Master Direction and Regulation 62F of Listing Regulations.

Chairperson	The Chairperson of the Committee shall be an Independent Director. The Chairperson shall attend the Annual General Meeting to answer shareholders' queries.
Composition	<p>The Committee shall comprise of at least three Directors as members, as appointed by the Board, with at least two-thirds of the members of audit committee shall be independent directors.</p> <p>All members of the Committee including its Chairperson shall be persons with ability to read and understand the financial statements and at least one member shall have accounting or related financial management expertise.</p> <p>The Company Secretary shall act as the secretary to the Committee.</p>
Meetings and Quorum	<p>The Committee shall meet at least four times in a year (financial year and calendar year) and the gap between two meetings shall not exceed 120 days.</p> <p>The quorum for the Committee meeting shall be one-third of its total strength (any fraction contained in that one-third shall be rounded off as one) or two members, whichever is greater, with at least two Independent Directors (who are members of the Committee)</p>
Role and responsibilities	The Committee shall have the roles and responsibilities as per the charter approved by the Board and such other functions as may be delegated by the Board and/or mandated by any Company policy and regulatory provisions from time to time.

2. NOMINATION AND REMUNERATION COMMITTEE

The Company shall have in place Nomination and Remuneration Committee ("NRC") constituted in accordance with the applicable Regulations contained in the Directions, Listing Regulations and the applicable provisions of the Act. The powers and terms of reference of the NRC shall include the requirements set out in Section 178 of the Act and the Rules framed thereunder, and the Master Direction and Regulation 62G of Listing Regulation. The Committee shall primarily be responsible to assist the Board in fulfilling its responsibilities by recommending to the Board, criteria for Board membership, evaluation of directors, the committees and the Board as a whole.

INTERNAL GUIDELINES ON CORPORATE GOVERNANCE

Chairperson	<p>The Chairperson of the NRC shall be an Independent Director. The Chairperson of the Company may be appointed as a member of the NRC but shall not chair the NRC.</p> <p>The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders' queries; however, it shall be up to the chairperson to decide who shall answer the queries.</p>
Composition	<p>The NRC will comprise of at least three Directors, as members, as appointed by the Board. All members of the NRC shall be non-executive directors and at least two-thirds of the directors shall be Independent Directors.</p> <p>The Company Secretary of the Company shall be the Secretary of the NRC.</p>
Meetings and Quorum	<p>The NRC will meet as frequently as required subject to a minimum of four meetings in a year (calendar year and financial year) and gap between two meetings shall not exceed 120 days.</p> <p>The quorum for the NRC meeting shall be one-third of its total strength (any fraction contained in that one-third be rounded off as one) or two members, whichever is higher, including one independent director in attendance.</p>
Role and responsibilities of the NRC	<p>The NRC shall have the roles and responsibilities as per the charter approved by the Board and such other functions as may be delegated by the Board and/or mandated by any Company Policy and regulatory provisions from time to time.</p>

3. RISK OVERSIGHT COMMITTEE

The Risk Oversight Committee's constitution and functioning shall be in line with the RBI regulations/Master Direction and Regulation 62I of the Listing Regulations. The Committee shall be vested with necessary powers, as defined in its Charter to achieve its objectives.

Chairperson	The Chairperson of the Committee shall be a non- executive director.
Composition	<p>The Committee shall have minimum three Directors, as members, including at least one independent director.</p> <p>The CRO will act as the secretary to the Committee.</p>
Meetings and Quorum	The Committee shall meet at least four times in a year (calendar year and financial year) and the gap between two meetings shall not exceed 120 days.

INTERNAL GUIDELINES ON CORPORATE GOVERNANCE

	The quorum shall be either two members or one third of its total strength (any fraction contained in that one-third to be rounded off as one), whichever is greater.
Role and responsibilities of the Committee	The Committee shall have the roles and responsibilities as per the charter approved by the Board and such other functions as may be delegated by the Board and/or mandated by Company Policy and any regulatory provisions from time to time.

4. IT STRATEGY COMMITTEE

The Company shall have in place an IT Strategy Committee as required by the guidelines issued by the RBI in Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices Directions 2023 (“**IT Framework**”). The constitution, functions and meetings of the Committee shall be in line with the requirements of the RBI guidelines.

Chairperson	The Chairperson of the Committee shall be an independent director having substantial IT expertise in managing/ guiding information technology initiatives.
Composition	<p>The Committee shall consist of three or more Directors as members. The members of the Committee shall have adequate technical competency.</p> <p>The Company Secretary of the Company shall be the Secretary of the Committee.</p> <p>The Chief Information Security Officer (“CISO”) and Chief Technology Officer (“CTO”) shall be the permanent invitees to the meetings of the Committee.</p>
Meetings and Quorum	<p>The Committee shall meet at least four times in a year on a quarterly basis and the gap between two meetings shall not exceed 120 days.</p> <p>The quorum for the Committee meeting shall be either two members or one-third of its total strength (any fraction contained in that one-third be rounded off as one), whichever is greater.</p>
Role and responsibilities of the Committee	The Committee shall have the roles and responsibilities as per the charter approved by the Board and such other functions as may be delegated by the Board and/or mandated by any Company Policy and regulatory provisions from time to time.

5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

INTERNAL GUIDELINES ON CORPORATE GOVERNANCE

The Company shall have in place a Corporate Social Responsibility Committee to meet the requirements of Section 135 of the Act. The Committee will be vested with necessary powers, as laid down in its charter to achieve its objectives.

Composition	<p>The Committee shall be comprised of minimum three directors as members out of which at least one member shall be an independent director.</p> <p>The Company Secretary of the Company shall be the Secretary of the Committee.</p>
Meetings and Quorum	<p>The Company shall convene at least 2 meetings of the Corporate Social Responsibility Committee in a financial year in accordance with its CSR policy.</p> <p>The quorum for the Committee meeting shall be either two members or one-third of its total strength (any fraction contained in that one-third be rounded off as one), whichever is greater.</p>
Role and responsibilities of the Committee	<p>The Committee shall have the roles and responsibilities as per the charter approved by the Board and such other functions as may be delegated by the Board and/or mandated by any Company Policy and regulatory provisions from time to time.</p>

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company shall have in place a Stakeholders Relationship Committee ("SRC") to meet the requirements of Section 178 of the Act and Regulation 62H of Listing Regulations. The Committee will be vested with necessary powers, as laid down in its charter to achieve its objectives.

Chairperson	<p>The Chairperson of the SRC shall be a non-executive director.</p> <p>The Chairperson of the SRC shall be present at the annual general meetings to answer queries of the shareholders.</p>
Composition	<p>The SRC will comprise of minimum three Directors and at least one member shall be an Independent Director</p> <p>The Company Secretary of the Company shall be the Secretary of the Committee.</p>
Meetings and Quorum	<p>The SRC will meet as frequently as required subject to a minimum of one meeting during each quarter of a financial year.</p> <p>The quorum for the meeting shall be one-third of its total strength (any fraction contained in that one-third be rounded off as one)</p>

INTERNAL GUIDELINES ON CORPORATE GOVERNANCE

	or two members, whichever is greater.
Role and responsibilities of the Committee	The Committee shall have the roles and responsibilities as per the charter approved by the Board and such other functions as may be delegated by the Board and/or mandated by any Company Policy and regulatory provisions from time to time.

7. REVIEW COMMITTEE

The Company shall have in place a Review Committee (“RC”) to meet the requirements of Reserve Bank of India (Treatment of Wilful Defaulters and Large Defaulters) Directions, 2024. The Review Committee shall not be comprised of members who are part of the Identification Committee. The Committee will be vested with necessary powers, as authorized by the Board, vide Resolution dated January 21, 2025, to achieve its objectives.

Chairperson	The Chairperson of the RC shall be whole-time director who is the MD & CEO/CEO
Composition	At least two Independent Directors or non-executive Directors as the members and the Chairperson.
Meetings and Quorum	Minimum quarterly only if cases are identified by the identification committee as wilful defaulter. In addition, need based meetings of Review Committee could be conducted as and when required. The quorum for the meeting shall be MD/CEO, two Independent Directors or non-executive Directors are mandatory
Role and responsibilities of the Committee	The Committee shall have the roles and responsibilities as per the Terms of Reference of the Review Committee approved by the Board, and such other functions as may be delegated by the Board and/or mandated by any regulatory provisions from time to time.

C. Asset Liability Management Committee

The Board on the recommendation of the ROC shall constitute/accord approval to constitute an Asset Liability Management Committee (“**ALCO**”) as required by the RBI Directions. The constitution and functioning of ALCO shall be in line with the requirements of the RBI Directions. The Committee inter-alia, shall monitor the asset liability gap and strategize action to mitigate the risk associated. The Committee should have such members as stated in the Risk Management Framework (“**RMF**”) approved by the Board.

The Committee shall have the roles and responsibilities and functions as stated in the RMF and/or mandated by any regulatory provisions from time to time.

INTERNAL GUIDELINES ON CORPORATE GOVERNANCE

IV. VIGIL MECHANISM

The Company adheres to the highest standards of ethical, moral and legal conduct of business operations and has thus established a Vigil Mechanism/Whistle Blower policy to facilitate employees to report concerns of any unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct and also provide adequate safeguards against victimization of persons who use this mechanism.

V. DISCLOSURE AND TRANSPARENCY

The Board shall be apprised with the following information at regular intervals as may be prescribed by the Board in this regard:

- 1) The progress made in putting in place a progressive risk management system and risk management policy and strategy followed by the Company;
- 2) Conformity with corporate governance standards viz., composition of various committees, their role and functions, periodicity of the meetings and compliance with coverage and review functions, etc.; and
- 3) Disclosures of such information, as may be prescribed by RBI from time to time, in the annual financial statements of the Company.

VI. ROTATION OF STATUTORY AUDITORS/AUDIT PARTNER(S)

The Company shall appoint and rotate the auditors in accordance with the "Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs)" dated April 27, 2021 notified by the Reserve Bank of India and the extant provisions of the Act.

VII. FIT AND PROPER CRITERIA

The Company has a policy in place for ascertaining the 'fit and proper' criteria at the time of appointment of Directors and on a continuing basis. The Nomination and Remuneration Committee reviews the appointment/re-appointment of Directors considering their qualifications, expertise, track record, integrity and other 'fit and proper' criteria.

The Nomination and Remuneration Committee should obtain such declarations / undertakings, deed of covenant from the Directors and shall scrutinize the furnished statement and certificates as may be prescribed for determining Fit and Proper Criteria in line with the guidelines issued by the RBI for the time being in force. A quarterly statement on change of directors and a certificate by the Managing Director/Whole-time Director of the Company certifying that 'fit and proper' criteria in selection of Directors has been followed by the Company should be furnished to the Regional Office of the

INTERNAL GUIDELINES ON CORPORATE GOVERNANCE

RBI within 15 days of the close of each quarter. Further, the statement for the quarter ending March 31 should also be certified by the statutory auditors.

VIII. AMENDMENT

These Guidelines may be amended following any relevant amendment in the Act, the Directions or any amendment done by the Board in the constitution of the committees of the Board or as may be deemed necessary by the Board. The changes, if any, shall be effective only upon approval by the Board.

IX. REVIEW OF THE GUIDELINES

The Guidelines shall be reviewed at yearly interval or earlier if considered necessary by the Board of Directors.
