

Details of various committees of the Board

1. *Audit Committee*

The Audit Committee was constituted by the Board of Directors through its resolution dated February 27, 2012. The Audit Committee was last re-constituted on May 21, 2024, and it currently comprises the following Directors:

- (i) Mathew K. Cherian
- (ii) Paul Jose Maliakal
- (iii) Sebastian Kurian

The scope and functions of the Audit committee are in accordance with Section 177 of the Companies Act, 2013 and its terms of reference are as follows:

Functions and terms of operations of the Audit Committee include the following:-

A. The Audit Committee shall have powers, including the following:

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; and
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

B. The role of the audit committee shall include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors;
4. 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;
 - (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;
 - (g) qualifications in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. 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 utilized 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;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval of any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. 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;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. 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;

16. Discussion 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;
17. 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;
18. Reviewing the functioning of the whistle blower mechanism;
19. Approval of appointment of CFO (i.e., the Whole-Time Finance Director or other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
22. Audit Committee must ensure that an Information System Audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced by the Company.

Further, the Audit Committee shall mandatorily review the following information:

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 the management;
3. Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor if any shall be subject to review by the Audit Committee.
6. Statement of deviations:
 - (a) Quarterly statement of deviation(s), submitted to stock exchange(s) in terms of Regulation 32(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
 - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

2. Asset Liability Management Committee

The Asset Liability Management Committee was constituted by the Board of Directors through its resolution dated July 09, 2011. The Asset Liability Management Committee was last reconstituted on May 21, 2024, and it currently comprises the following Directors:

1. Mathew K. Cherian
2. Laila Mathew
3. Sebastian Kurian
4. Saju John Varghese
5. George Thomas
6. Annamma Varghese

Asset Liability Management Committee shall be responsible for recommending to the Board prudent asset/liability management policies and procedures and shall have the following responsibilities:

- successful implementation of the risk management process;
- integration of basic operations and strategic decision making with risk management;
- overall responsibility for management of risks;
- deciding the risk management policy of the Company;
- setting limits for liquidity, interest rate and equity price risks and shall be responsible for ensuring adherence to the limits set thereby;
- Deciding the business strategy of the Company (on the assets and liabilities side) in line with the Company's budget and decided risk management objectives.
- Articulating the current interest rate view of the NBFC and base its decisions for future business strategy on this view.
- reviewing Interest rate forecasts and spreads for Company;
- analyzing, monitoring and reporting the risk profiles;
- responsible for balance sheet planning from risk-return perspective including the strategic management of interest rate and liquidity risks;

- review the results of and progress in implementation of the decisions made in the previous meetings

Asset Liability Management Committee shall consider, *inter alia*, shall include product pricing for both deposits and advances, desired maturity profile and mix of the incremental assets and liabilities, prevailing interest rates offered by other peer NBFCs for the similar services/product, etc.

- Asset Liability Management Process: the scope of Asset Liability Management Committee function can be described as follows:
 - Liquidity risk management
 - Management of market risks
 - Funding and capital planning
 - Profit planning and growth projection
 - Forecasting and analyzing 'What if scenario' and preparation of contingency plans

Any other power, role and terms of references as may be stipulated under Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit Taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

3. Risk Management Committee

The Risk Management Committee was constituted by the Board of Directors through its resolution dated July 09, 2011. The Risk Management Committee was last reconstituted on May 21, 2024.

The Risk Management Committee currently consists of the following persons:

- Mathew K. Cherian
- Laila Mathew
- Sebastian Kurian
- Arun Kumar (Chief Information Officer and Chief Risk Officer)

The terms of reference of the Risk Management Committee includes the following:

- Establishing the context of risks;
- Identifying the risks;
- Assessing probability and possible consequences of the risks.
- Developing strategies to mitigate these risks;
- Monitoring and reviewing the outcomes;
- Communicating and consulting with the parties involved;
- Risk committee performs centralised oversight and policy setting of risk management activities and to provide communication to the board of directors regarding important risks and related risk management activities;
- The risk committee approves the design of the Company's enterprise-wide risk management framework, including supporting methods, risk policies, risk inventories and the risk ranking methodology, as they relate IT and IT compliance risks;
- The committee review and advise the board on the risk impact of strategic business decisions and assess strategic alignment with the Company's IT risk appetite;
- Review significant aggregate risk concentration and other escalations and approve significant corrective actions recommended by management;
- Report to the full Board / IT Steering Committee on the Company's most significant risk, risk trends, as well as related risk response strategies and the performance of the Company's risk management capabilities;
- Oversee the implementation of and adherence to corporate risk policies, processes, and other risk guidance;
- Frequent review of risk assessment.

4. Nomination & Remuneration Committee

The Nomination & Remuneration Committee was constituted by a board resolution dated January 09, 2012. The Nomination & Remuneration Committee was last reconstituted on May 21, 2024 and it currently comprises the following Directors:

The Committee currently comprises:

- (i) Sebastian Kurian
- (ii) Paul Jose Maliakal
- (iii) Laila Mathew

The scope and function of the Nomination and Remuneration committee is in accordance with Section 178 of the Companies Act and its terms of reference are as follows:

Terms of reference of the Nomination Committee includes the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of independent directors and the Board;
3. Devising a policy on Board diversity;
4. 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 their appointment and removal;
5. 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 of the Company;
7. Ensuring 'fit and proper' status of proposed/ existing Directors of the Company.
8. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to the extent each is applicable; or
 - b) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.
9. 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.”

5. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was re-constituted by way of a board resolution dated May 21, 2024. The Corporate Social Responsibility Committee comprises of the following members:

- (i) Mathew K. Cherian
- (ii) Laila Mathew
- (iii) Sebastian Kurian

The scope and functions of the Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act and its terms of reference are as follows:

The terms of reference of Corporate Social Responsibility Committee includes the following:

- (a) To formulate and to recommend to the Board, a corporate social responsibility policy which shall indicate the activities to be undertaken by our Company as specified in Scheduled VII;
- (b) Recommend the amount of expenditure to be incurred on the activities referred to in clause 1; and
- (c) Monitor the Corporate Social Responsibility policy of our Company from time to time.

6. Stakeholders Relationship Committee

The Stakeholders Relationship Committee was re-constituted by a board resolution dated May21,2024.

The Committee currently comprises of the following members:

- (i) Mathew K. Cherian
- (ii) Laila Mathew
- (iii) Sebastian Kurian

The scope and functions of the Stakeholders' Relationship Committee are in accordance with Section 178 (6) of the Companies Act, 2013.

Terms of Reference for the Stakeholders Relationship Committee:

The Stakeholders Relationship Committee shall be responsible for, among other things, as may be required by the stock exchanges from time to time, the following:

1. Resolving the grievances of the security 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, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the Company for reducing the 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 contained in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as and when amended from time to time.

7. *Debenture Committee*

The Debenture Committee was re-constituted by the Board of Directors through its resolution dated May 21, 2024. The Debenture Committee comprises of the following persons:

- (i) Mathew K. Cherian;
- (ii) Laila Mathew; and
- (iii) Sebastian Kurian

The terms of reference of the Debenture Committee includes the following:

1. To determine and approve, the terms and conditions and number of the debentures to be issued, the timing, nature, type, pricing and such other terms and conditions of the issue including coupon rate, minimum subscription, retention of oversubscription, if any, etc., to approve and make changes to the draft prospectus, to approve the prospectus, including any corrigendum, amendments supplements thereto, and the issue thereof and to issue and allot the debentures and to approve all other matters relating to the issue and do all such acts, deeds, matters and things including execution of all such deeds, documents, instruments, applications and writings as it may, at its discretion, deem necessary and desirable for such purpose including without limitation the utilisation of the issue proceeds, modify or alter any of the terms and conditions, including size of the Issue, as it may deem expedient, extension of issue and/or early closure of the issue.

Apart from the aforementioned committees formed in accordance with the Companies Act, 2013, the Listing Regulations and in relation to the Issue, our Company has also formed a Committee for Bank Operations and an IT Strategy Committee.

For Kosamattam Finance Limited

Sd/-

Mathew K. Cherian
Managing Director
DIN: 01286073