**NIXA FINCAP PRIVATE LIMITED (Formerly known as XANDER FINANCE PRIVATE LIMITED) ("NFPL")**

**INTERNAL GUIDELINES ON CORPORATE GOVERNANCE**

**Date of review: Reviewed and approved in the Board Meeting held on March 02, 2026**

## PHILOSOPHY, PURPOSE AND SCOPE:

NIXA Fincap Private Limited ('NFPL') is a non-deposit accepting Non-Banking Financial Company ('NBFC') registered with Reserve Bank of India ('RBI') vide NBFC registration no. B-13.02083. Further, as per the Master Direction-Reserve Bank of India (Non- Banking Financial Company-Scale Based Regulation), Directions, 2023 dated October 19, 2023, as amended from time to time, NFPL is classified as base layer NBFC having customer interface and not availing public funds.

In order to adopt best governance practices and ensure greater transparency in the functioning of NFPL, and in alignment with the Reserve Bank of India (Non-Banking Financial Companies – Governance) Directions, 2025 and the RBI (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025, as amended from time to time, NFPL has formulated these internal guidelines on corporate governance.

## BOARD OF DIRECTORS:

NFPL's Board of Directors ("Board") has a primary role of trusteeship to protect and enhance shareholders' value through supervision and strategic inputs. The Board along with its committees provides supervision and exercises appropriate controls and in addition to basic governance issues, the Board lays strong emphasis on transparency, accountability and integrity.

The Board shall have a suitable combination of directors. All the directors shall meet the 'fit and proper' criteria as prescribed by the Reserve Bank of India from time to time.

At present the Board comprises 3 (Three) non-executive directors. The directors bring to the Board a wide range of experience and skills, which include banking, global finance, technical skills, accounting and economics. None of the directors of NFPL are related to each other.

None of the directors on the Board are liable to retire by rotation.

A director shall not hold the office of director including any alternate directorship position in more than 20 (twenty) Companies including 10 (ten) public companies. For reckoning the limit of public companies in which a person can be appointed as director, directorship in private companies that are either holding or subsidiary company of a public company shall be included. For reckoning the limit of directorships of 20 (twenty) companies, the directorship in a dormant company shall not be included. The directors shall submit disclosures as required under the provisions of applicable laws and the codes and policies adopted by NFPL.

**MEETINGS OF THE BOARD:**

At least four Board meetings shall be held in every calendar year, with a minimum of one meeting in each calendar quarter. The maximum time gap between two consecutive Board meetings shall not exceed 120 (one hundred and twenty) days. The minimum information to be statutorily made available to the Board shall be furnished to the Directors before the meeting.

The decisions of the Board shall be taken by simple majority of the directors, and each director shall exercise one vote.

**AGENDA FOR THE MEETING:**

The agenda for the board meeting and board committee meetings shall be sent to the board members not less than seven days before the meeting or at a shorter notice with the consent of the Board . Each Board member shall be free to suggest the inclusion of items on the agenda. With the permission of the chair, each Board member shall also be free to raise, at any board meeting, matters that are not on the agenda and any other matter can be placed for discussion. All information relevant to the agenda to be discussed at an upcoming board meeting shall be distributed in writing or electronically to all members as far as possible to facilitate informed decisions at the meeting. However, with reference to any sensitive matter on the agenda, relevant information can be made available only at the time of the board meeting.

**REVIEW OF REMUNERATION PAYABLE TO THE BOARD MEMEBRS**:

The remuneration payable to the Director(s) shall be determined by the nomination and remuneration committee and shall be recommended to the Board for its consideration and approval. The remuneration payable shall be in accordance with the Board approved remuneration policy and applicable laws.

Sitting fees may be remitted to the Directors as approved by the Nomination and remuneration committee and Board of Directors from time to time. However, the sitting fees should not exceed the limits as prescribed under the provisions of the Companies Act, 2013.

**COMMITTEES:**

In order to focus on the critical functions of NFPL, the Board may constitute such Committees as and when required to ensure smooth functioning of NFPL. NFPL currently has in place following Committees:

(i) Audit Committee
(ii) Credit Committee
(iii) Asset-Liability Management Committee
(iv) Nomination and Remuneration Committee,
(v) Corporate Social Responsibility Committee,
(vi) Risk Management Committee,
(vii) Vigilance & Ethics Committee, and
(viii) Internal Complaints Committee
(ix) IT Strategy Committee
(x) Special Committee of the Board under the Fraud Directions of RBI

The above-mentioned committees have been constituted in accordance with the provisions of the Companies Act, 2013, guidelines / directions issued by the Reserve Bank of India as applicable to NFPL as a base layer NBFC having customer interface and not availing public funds and other applicable laws and regulations for internal requirements / operational convenience. The composition, terms of reference and functioning of the committee(s) shall be decided by the Board in accordance with the provisions of the applicable laws.

Minutes of meetings of board committees and other committee(s) as specified by the Board shall be placed before the Board for its perusal, discussion and noting. The decisions of the committees shall be taken by simple majority of the members of the respective committees and each member shall exercise one vote.

Details of various committee(s) are as under:

1. **Credit Committee:**

The credit committee is responsible for approval of credit proposals of NFPL. It approves credit proposals in accordance with risk framework and credit policy approved by the Board of Directors of NFPL.

2. **Audit Committee:**

The audit committee shall be responsible for dealing with all material aspects concerning the auditing and accounting policies of NFPL and its financial controls and systems or any other function as may be determined by the Board.

In terms of the Master Directions, NFPL shall constitute an audit committee consisting of not less than three members of its Board of Directors. Such a committee constituted shall have the same powers, functions and duties as laid down in section 177 of the Companies Act, 2013.

At least one meeting of the Committee shall be held every quarter.

The 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 the operational risks faced by NFPL.

3. **Asset Liability Management Committee (ALCO):**

The ALCO shall monitor the asset liability composition of the NFPL's business and determine actions to mitigate risks associated with the asset liability mismatches.

At least one meeting of the ALCO shall be held in every quarter.

4. **Nomination & Remuneration Committee:**

In terms of the Master Directions, NFPL shall constitute a nomination and remuneration committee which shall have the same powers, functions and duties as laid down in Section 178 of the Companies Act, 2013

The nomination and remuneration committee shall be responsible to (i) deal with nomination, appointment and remuneration of Directors on the Board; (ii) decide on remuneration and compensation (including pension rights, employee's stock options and compensation payments, etc. as applicable) of the executive directors, non-executive directors and senior-level employees; (iii) implement and monitor employee stock options scheme(s), if any and related matters; (iv) decide on appraisal, performance bonus and variable pay of senior employees in compliance with applicable laws and (v) related matters in accordance with the applicable laws.

At least one meeting of the nomination and remuneration committee shall be held every year.

5. **Corporate Social Responsibility (CSR) Committee:**

The CSR Committee shall decide upon the corporate social responsibility activities of NFPL and the CSR expenditure to be incurred by NFPL and recommend the same to the Board for its consideration and approval. The CSR committee shall be responsible for monitoring the CSR Policy of NFPL.

At least one meeting of the Committee shall be held every year.

6. **Risk Management Committee (RMC):**

Risk Management Committee shall be responsible for managing risk. The functions of RMC should essentially be to identify, monitor and measure the risk profile of NFPL arising from its business activities. RMC shall be responsible for developing policies and procedures, approve the structure of the models that are used for providing credit, reviewing the risk mitigation mechanisms as development takes place in the markets and identify new risks and also be responsible for evaluating the overall risks faced by NFPL including liquidity risk and shall report to the Board.

At least one meeting of the Committee shall be held every half year.

7. **Vigilance & Ethics Committee:**

Vigilance and Ethics Committee shall be responsible for receiving protected disclosures from whistle-blowers and shall carry out an initial investigation into the matters for which the disclosure is received. This committee will aid in monitoring the corporate governance of NFPL.

The meeting of Vigilance and Committee shall be held on as-and-when basis.

8. **Internal Complaints Committee:**

Internal complaints committee shall be responsible for preventing and prohibiting sexual harassment at workplace. This committee shall be responsible for investigation of sexual harassment complaints received from the employees. The Committee shall be responsible for providing a grievance redressal mechanism to the aggrieved employees and monitor the implementation of the sexual harassment policy at workplace.

The meeting of Internal Complaints Committee shall be held once in a calendar year.

**9. Information Technology Strategy Committee**

Information technology strategy committee shall be responsible for implementation and monitoring of information security controls, cyber security arrangements, business continuity planning. The Committee shall also be responsible for reviewing and amending information technology strategies for aligning it with the business requirements of NFPL and other matters related to Information technology governance.

At least one meeting of this committee shall be held every half year.

**10. Special Committee of the Board under the Fraud Directions of RBI**

Special Committee of the Board for Monitoring and Follow-up of cases of Frauds' (SCBMF) which shall be responsible for monitoring and following up of cases of fraud. SCBMF will oversee the effectiveness of the fraud risk management of NFPL.

The meeting of the committee shall be held as and when required.

**CONFLICT OF INTEREST:**

NFPL expects its directors, officers and other employees to act ethically at all times and to acknowledge their adherence to the policy(ies) and code(s) adopted by NFPL.

The directors, senior management and other employees of NFPL shall endeavor to avoid any conflict of interest with respect to their dealings with NFPL. A conflict of interest exists when benefits or interests of one person or entity conflict with the interests or benefit of NFPL. If a director has a potential conflict of interest in a matter under consideration by the Board or a committee, such director shall disclose his interest in accordance with the provisions of applicable laws and abstain from deliberations and voting on such matter. A director who is interested in any proposed transaction shall not exercise any influence over other Board/committee members in any manner whatsoever. Officers and other employees must disclose the circumstances of any possible conflict of interest to his / her supervisor and chief executive officer, for a determination about whether a potential or actual conflict exists. If an actual or potential conflict is determined, NFPL may take appropriate action according to the circumstances. Failure to disclose facts shall constitute grounds for disciplinary action.

**AUDITORS:**

**Statutory Auditors:**

The Board and the Audit Committee of NFPL shall be responsible to appoint Statutory Auditors who demonstrate professional ability and independence. NFPL shall review the independence and performance of the Statutory Auditors and the effectiveness of the audit process periodically. Declaration shall be obtained from the Auditors affirming their eligibility for being appointed as the Statutory Auditors of NFPL.

Further, NFPL shall rotate the partner/s of the Chartered Accountant firm(s) conducting the statutory audit of NFPL every three years or such other earlier period as may be decided by the Board or as per regulations stipulated by Reserve Bank of India, so that same partner does not conduct audit of the company continuously for more than a period of three years. However, the partner so rotated shall be eligible for conducting the audit of NFPL after an interval of three years post last year of previous audit. NFPL shall incorporate appropriate terms in the letter of appointment of the firm of auditors and ensure its compliances.

Further, the firm mandated to undertake the statutory audit shall be rotated as per rules & regulations prescribed under the RBI guidelines on appointment of statutory auditors and Companies Act, 2013.

**Internal Auditors:**

The Board and the Audit Committee of NFPL shall appoint internal auditors in accordance with the provisions of applicable laws and regulations; who shall perform independent and objective assessment of the internal controls, processes and procedures instituted by them and accordingly monitor its adequacy and effectiveness.

**CODE(S) AND POLICY (IES) OF NFPL**

In accordance with the applicable provisions of the Companies Act, 2013, the Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025, the Reserve Bank of India (Non-Banking Financial Companies – Governance) Directions, 2025, and any other regulations applicable to NFPL, the Company has formulated and adopted the following policies and codes. These policies and codes shall be updated or revised as and when required, either due to changes in applicable laws or changes in the functioning or structure of NFPL, to ensure continued compliance and operational efficiency. The codes and policies approved by NFPL inter-alia include the following:

1) Asset / Liability Management Policy
2) Provisioning and write-off Policy
3) Fair Practice Code
4) Know Your Customer (‘KYC’) and Anti-Money Laundering Measures
5) Policy of Fraud Detection and Reporting
6) Interest Rate Policy
7) Credit Policy

8) Risk Management Framework
9) Fit and Proper Criteria/ Framework for Directors
10) Investment and Treasury Policy
11) Whistle Blower Policy / Vigil Mechanism
12) Corporate Social Responsibility (CSR) Policy
13) Internal Guidelines on Corporate Governance
14) Nomination and Remuneration Policy
15) Prevention of Sexual Harassment Policy at workplace
16) Policy on Preservation of documents
17) Expense Reimbursement Policy
18) Outsourcing Policy
19) Information Technology Policy
20) Information Security Policy
21) Cyber Security Policy
22) Business Continuity Policy
23) Ombudsman scheme for NBFCs
24) Expected credit Loss Policy
25) Policy on related party transactions
26) Policy for dealing with conflict of interest / trading in securities by employees
27) Employee handbook - Human Resource Policy
28) Leave Policy
29) Policy on anti-bribery and anti-corruption
30) Policy on appointment of statutory auditors
31) Policy on transfer and acquisition of loan exposures.
32) Policy on penal Charges and similar charges on loan
33) Policy on Compromise arrangements and technical write off.

**DISCLOSURES:**

The Board and employees of NFPL shall ensure and make necessary disclosures to NFPL, the regulator(s) / statutory authorities, the shareholders, investors, members or other stakeholders as may be required by the applicable laws and the codes / policies of NFPL.

The Board of NFPL or such other person authorized by the Board or any law / regulation, shall ensure that all the disclosures statutorily required to made on behalf of NFPL are duly made to the regulatory / statutory authorities or such other persons as may be required under applicable laws / regulations.

## COMPLIANCE OFFICER:

The company secretary shall be the Compliance Officer of NFPL.

**Approved for and on behalf of the Board of Directors of**
**Nixa Fincap Private Limited**
**(formerly known as Xander Finance Private Limited)**

**Kshama Shah**
**Company Secretary**
ICSI Membership No.: ACS-42472

Date : March 31, 2026
Place: Mumbai

**NIXA FINCAP PRIVATE LIMITED**
(FORMERLY KNOWN AS "XANDER FINANCE PRIVATE LIMITED)
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