



Navi Technologies Limited
Committees of the Board

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Audit Committee

The objectives of the Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of Navi Technologies Limited (the “Company”) is to assist the Board with oversight of (i) the accuracy, integrity and transparency of the Company’s financial statements with adequate and timely disclosures; (ii) compliance with legal and regulatory requirements; (iii) the Company’s independent auditors’ qualifications and independence; (iv) the performance of the Company’s independent auditors and internal auditors; and (v) acquisitions and investments made by the Company. The role, responsibilities and powers of the Committee shall include matters set out in this charter and such other items as may be prescribed by applicable laws as amended or by the Board in compliance with applicable law from time to time

The members of the Audit Committee are:

1. Usha A Narayanan (*Chairperson*)
2. Anand Sinha (*Member*)
3. Abhijit Sinha Bose (*Member*)
4. Nachiket Madhusudhan Mor (*Member*)

The Audit Committee was constituted by the Board of Directors at their meeting held on March 6, 2022. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act and the SEBI Listing Regulations.

The terms of reference of our Audit Committee includes the following:

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. Recommendation to the Board the appointment, remuneration and terms of appointment of the statutory auditor of the Company;
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 auditor’s;
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;

- 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 issue 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 funds raised through the purposed initial public offering of the Company;
 8. Approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for subject to the conditions as may be prescribed, by the independent directors who are members of the Audit Committee;
 9. Scrutinising 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. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
 13. Reviewing, with the management, 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. Discussion with internal auditors of any significant findings and follow up thereon;
 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. 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; 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 of appointment of 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;
21. Carrying out any other function as mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and/or specified/ provided under the Companies Act, the SEBI Listing Regulations or by any other regulatory authority;
22. Reviewing the utilisation of loan and/or advances from investment by the holding company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as per applicable law; and
23. Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;

Powers of the Audit Committee

The powers of the Audit Committee will include the following:

1. to investigate activity within its terms of reference;
2. to seek information from any employees;
3. to obtain outside legal or other professional advice; and
4. to secure attendance of outsiders with relevant expertise, if it considers necessary

Reviewing Power

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 management. Provided that only the members of the Audit Committee, who are independent directors, shall approve related party transactions;

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 internal auditor shall be subject to review by the Audit Committee; and
6. Examination of the financial statements and the auditors' report thereon; and
7. Statement of deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to the stock exchanges(s) in terms of the SEBI Listing Regulations; and
 - (b) annual statement of funds utilised for purposes other than those stated in the document/prospectus/notice in terms of SEBI Listing Regulations.

Nomination and Remuneration Committee

The purpose of the Nomination and Remuneration Committee (the "Committee") of the Board of Directors (the "Board") of Navi Technologies Limited ("Navi" or "the Company") shall be to:

- Assist the Board in discharging its responsibilities relating to compensation of the Company's Directors, Key Managerial Personnel (KMP) and Senior Management;
- Evaluate and approve the adequacy of the compensation plans, policies, programs and succession plans for Company's Executive Directors, KMP and Senior Management (including identifying persons to be appointed to positions of KMP and Senior Management in accordance with identified criteria and to recommend to the Board their appointment and removal);
- Formulate the criteria for determining qualifications, positive attributes and independence of a director and for performance evaluation of directors on the Board;
- Administration of equity based plans/ schemes approved by the shareholders
- Oversee the Company's nomination process for the KMP and Senior Management and identify, screen and review individuals qualified to serve as Directors, KMP and Senior Management consistent with criteria approved by the Board;
- Recommend appointment and removal of Directors, for approval at the annual meeting of shareholders;
- Carry out evaluation of the performance of the Board and review the evaluation's implementation and compliance;
- Leadership development;
- Develop and maintain corporate governance policies applicable to the Company;
- Devise a policy on Board diversity.

The purpose and responsibilities of the committee shall include such other items as may be prescribed by applicable law or by the Board in compliance with applicable law from time to time.

The members of the Nomination and Remuneration Committee are:

1. Abhijit Sinha Bose (*Chairperson*)
2. Shripad Shrikrishna Nadkarni (*Member*)
3. Anand Sinha (*Member*)

The Nomination and Remuneration Committee was constituted by the Board of Directors at their meeting held on March 6, 2022. The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act and the SEBI Listing Regulations.

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

1. Formulating the criteria for determining the 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. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
3. Formulating the criteria for the evaluation of the performance of the independent directors and the Board;
4. Devising a policy on Board diversity;
5. 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;
6. Determining whether to extend or continue the term of appointment of an independent director, on the basis of the report of performance evaluation of independent directors;
7. Analysing, monitoring and reviewing various human resource and compensation matters;
8. 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;
9. Determining 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;
10. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

11. Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;
12. 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, as amended; or
 - b) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended.
13. Performing such other activities as may be delegated by the Board and/or specified/provided under the Companies Act or the SEBI Listing Regulations, or by any other regulatory authority;
14. Recommend to the board, all remuneration, in whatever form, payable to senior management; and

Finance Committee

The purpose of the Finance Committee ("the Committee") of the Board of Directors ("the Board") of Navi Technologies Limited ("the Company") shall be to assist the Board and the Company day-to-day operation of the Company. The purpose and responsibilities of the Committee shall include such other items / matters prescribed under applicable law or prescribed by the Board in compliance with applicable law from time to time. The Committee shall periodically update the Board about the decisions taken by it.

The members of the Audit Committee are:

1. Ankit Agarwal (*Chairperson*)
 2. Sachin Bansal (*Member*)
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1. Review the Company's financial policies, risk assessment and minimization procedures, strategies, and capital structure, working capital and cash flow management, and make such reports and recommendations to the Board with respect thereto, as it may deem advisable;
 2. Review banking arrangements and cash management;
 3. Exercise all powers to borrow money (otherwise than by issue of debentures) within limits approved by the Board, and take necessary actions connected therewith, including refinancing for optimisation of borrowing costs as allowed under Section 179 (3) (d) of the Companies Act, 2013;
 4. Exercise all powers of investments within limits approved by the Board, and take necessary actions connected therewith as allowed under Section 179 (3) (d) of the Companies Act, 2013;
 5. Give guarantees / issue letters of comfort / providing securities within the limits approved by the Board as allowed under Section 179 (3) (f) of the Companies Act, 2013;
 6. To negotiate, agree, accept, and execute any documents in connection with prospective transactions with lenders (along with any changes, modifications, or amendments thereto) and all other deeds, documents, agreements, letters, requests, notices, and other writings as and when necessary, in connection with or ancillary to such prospective transactions and to take all such further steps as may be required to give effect to these resolutions;
 7. To avail and updating all banking facilities such as, opening, operating and closing of bank accounts, online / net banking, Cash Management Services ("**CMS**"), Trade finance, Electronic Clearing Services ("**ECS**"), credit cards, overdraft facility and any other such products offered by any bank(s), on behalf of the Company and to also authorize and/or sub-delegate the

powers to any of the officers of the Company or the Navi Group (i.e., the Company and its Subsidiaries);

8. Approve opening and operation of Investment Management Accounts with foreign banks and appoint them as agents, establishment of representative / sales offices in or outside India;
9. Carry out any other function as is mandated by the Board from time to time;
10. Other transactions or financial issues that the Board may desire to have them reviewed by the Finance Committee such as:
 - i. Forex Derivative Transactions
 - ii. OTC Trades Note outstanding borrowings, inter corporate investments, loans and guarantees
 - iii. Note status report and hedging activities on commodity and forex products
11. Delegate authorities from time to time to the executives / authorised persons to implement the Committee's decisions;
12. To approve any amendments or modifications to the delegation of authority matrix (DOAA).
13. Designing, implementing, and amending the Investment Policy and guidelines in accordance with such parameters as may be defined by the Board from time to time;
14. Reviewing investment operations of the Company and periodically submitting a report to the Board detailing the performance of the investment portfolio with regards to risk, safety and soundness;
15. Empaneling brokers for both debt and equity investments;
16. Formulating effective systems and processes to ensure: (i) compliance by with the Investment Policy, guidelines, and prevailing law; and (ii) protection of the Company's assets
17. Reviewing and approving changes to Investment Policy and guidelines from time to time as per the investment environment and ongoing business requirements;
18. To approve investment of the funds of the Company into the Company's subsidiary companies, from time to time such that the investment into a subsidiary does not exceed INR 15 Crore per entity per quarter;
19. Ensure that the investment assets are managed within the following parameters:
 - For debt portfolio, DV01 of the portfolio should not exceed INR 1.25 Crore at any point of time;

- The performance of the investment portfolio will always be measured against an external benchmark with similar risk and liquidity profile.

20. To authorize sell-out / buy out, assignment and securitization transactions;

21. Approval for allotment of securities issued under Companies Act 2013;

22. Redemption of Debentures issued by the Company; and

23. To authorize employees of the Company or any authorised person to execute agreements/documents and to represent the Company in the ordinary course of business including, without limitation, registration of lease deeds, leave and license agreements and making representations to jurisdictional authorities.