

## **NIRMAL BANG FINANCIAL SERVICES PVT LTD.**

Room No.19/20, 1st Floor, Sonawala Building, 25, Bank Street, Mumbai - 400 001.

Contact Details: (Board line) 022- 39267500/01, (Fax) 022-39267510

CIN NO. : U65923MH1994PTC077315

### **CORPORATE GOVERNANCE POLICY**

At Nirmal Bang Financial Services Pvt. Ltd. a Non-Banking Financial Company (Non – Deposit Accepting), corporate governance is self regulatory, maintaining values, ethical business conduct and the responsibility, commitment towards shareholders and Regulators to enhance the value on a sustainable basis.

#### **OUR CULTURE**

The company driven by a desire to be more competitive and recognized in the industry is adopting the rules that define ethical business in line with applicable regulations in vogue.

The company firmly believes that building a culture of compliance is more than meeting regulations and standards. The company will always try to be proactive in meeting mandated standards and the directions issued by Reserve Bank of India from time to time and practicing corporate governance in high spirit and not just the letter of the law.

#### **OUR PHILOSOPHY**

The philosophy on corporate governance is based on preserving core values and ethical business conduct. Commitment to maximizing value on a sustained basis, while looking after the welfare of multiple stakeholders is a fundamental shared value of the Board of Directors, Management, and Associates and critical to the company's success. This value system translates into structures and procedures that enhance the efficacy of the Board and inculcates a culture of transparency, accountability and integrity across the company.

Our contributory factor is self regulatory system of prompt reporting, monitoring, certification and voluntary code of practice and standards which improves management effectiveness, supervision and accountability and strict compliance to applicable regulations.

#### **OUR GUIDING PRINCIPLES**

##### **Trusteeship, Transparency and Accountability**

We are committed to trusteeship, transparency, accountability and equality of treatment in all our dealings. We believe that timely disclosures and transparent accounting policies will go a long way in preserving stakeholders trust and enhancing value.

For **NIRMAL BANG FINANCIAL SERVICES PVT. LTD.**

  
Director / Authorised Signator

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**A) Policies as required by Reserve Bank of India**

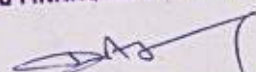
- I. Though the change in partners of audit in charge is not mandatory in case of Non-Deposit taking company, we are endeavoring to persuade the auditors to change the partner in charge in due period of time.
- II. The audit committee is constituted and performs the following functions in the organisation. The Chairman of the Audit Committee is an independent director. Audit Committee comprises of eminent directors who provide independent, objective and effective monitoring of the financial and risk management matters of the company.
- III. Market risks relating to asset liability mismatches and risks arising thereon are being addressed by Asset Liability Committee.
- IV. To manage the integrated risk, a risk management committee is formed, in addition to the Asset Liability Committee. A risk management policy is put in place in line with the business needs and evolved as and when changes in the relevant environment takes place.
- V. Relevant operating procedures and information systems for ascertaining interest of the directors and relatives of the directors and also interest of directors of other companies has been put in place to take appropriate decisions while carrying out the ordinary business.
- VI. It is necessary to ensure that the general character of the management or non-banking financial company shall not be prejudicial to the interest of its shareholders and the financial system at large. In view of the interest evinced by various entities in this regard, we have constituted a Nomination Committee to ensure 'fit and proper' status of proposed/existing Directors.

Nirmal Bang Financial Services Pvt. Ltd. has framed internal guidelines on corporate governance, enhancing the scope of the guidelines given by RBI without sacrificing the spirit underlying the guidelines it is published on the company's web-site for the information of various stakeholders.

**(B) Board of Directors**

1. Our Board comprises of eminent individuals from diverse disciplines with immense knowledge which represents the stakeholder's interest in perpetuating a successful business and optimizing long term financial returns.
2. We ensure that the majority of the Board is constituted by strong and independent directors, who exercise objective judgment independently.

**FOR NIRMAL BANG FINANCIAL SERVICES PVT. LTD.**

  
Director / Authorised Signatory

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3. Our Board takes active participation on matters relating to Policy Formulation, its implementation and strategic issues which are crucial for the long term development of the Organization.
4. The Board of Directors are made aware of the following aspects at regular intervals:
  - Progress made in putting in place a progressive risk management system, and risk management policy and strategy followed.
  - Conformity with corporate governance standards viz. in composition of various committees, their role and functions, periodicity of the meetings and compliance with coverage and review functions, etc.
5. Clients are the real drivers for the success of the company and we place considerable importance to their concerns and we provide prompt response to their grievances, if any.

**6. Corporate Social Responsibility Policy**

Living up to our commitment, we always lay special emphasis of being a responsible corporate citizen and make significant contribution towards community development. Our heritage of returning to society what we have taken evokes trust among stakeholders. This belief is reflected in the company's deep commitment to contribute to Development of the Nation's economic, social and environmental capital.

A 'Policy on Corporate Social Responsibility' is in place to meet the stakeholders' aspirations and societal expectations.

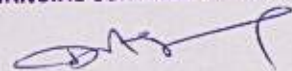
**7. Risk Management**

We have formulated an Enterprise Risk Management Policy to manage unforeseen risk. The implementation of this Policy is through the Risk Management Steering Committee. The Committee at an early stage identifies, manages and responds to critical, cautionary and manageable risks in a systematic manner. To actively involve and inculcate the risk management right down the Organization 'Risk Bearers' are appointed for each Department. Periodic meetings are held to review existing / new risks and action plans are prepared to mitigate the risks.

**C) COMMITMENT TO ASSOCIATES**

We believe that the best custodians with long term interests of company are its associates. We had always sought to be a value driven organization for our empowering associates.

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At Nirmal Bang Financial Services Pvt. Ltd. the key driver in all our growth strategies is the human capital. Our leading spirit has empowered us to expose our associates to world class best practices, as mentioned below:

**i) Legal Compliance Policy**

We are committed to adhere to highest levels of statutory compliances required under various Laws and co-operate and comply with all regulatory authorities and attempt to go beyond the statutory compliance. Our Legal Compliance Policy ensures adherence to all statutory laws by all associates at all levels.

**ii) Internal Control System**

Our self regulatory system assures the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls, and compliance with applicable laws and regulations. We believe that internal control is a necessary for the principle of governance and that freedom of management should be exercised within a framework of appropriate checks and balances.

**iii) Code of Conduct and Ethics**

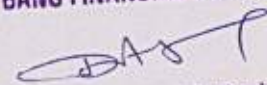
We firmly emphasize that director and senior management observe the highest standards of ethical conduct, integrity, accountability and works to the best of their ability and judgment.

**Amendments in Policy**

Any amendment in this policy will have approval of Board of Directors or any such other committee as may be nominated by Board in this regard.

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For NIRMAL BANG FINANCIAL SERVICES PVT. LTD.



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