

Terms of Reference of the Audit Committee of the Board

The Board of Directors of the Company at its meeting held on 30th January 2024, constituted the Audit Committee, to assist the Board in fulfilling oversight responsibilities and to ensure that the framework of internal control, practices and systems are robust. The Audit Committee aims to enhance the integrity of the company's financial reports, the internal control processes and procedures, and the risk management systems.

Purpose of the Committee

The Committee is established by the Board of Directors to primarily assist in:

- Overseeing the integrity of the Company's financial statements
- Overseeing the Company's compliances with legal and regulatory requirements.
- Monitor the effectiveness and objectivity of internal and external auditors.
- Encouraging continuous improvement of policies, procedures, and practices.
- Overseeing the systems of disclosure controls and procedures, internal controls over financial reporting, and compliance with ethical standards adopted by the Company.

Membership	<p>Chairperson and Members of the Committee</p> <p>The Committee shall comprise of a minimum of three Directors with independent Directors forming a majority and majority of the members of the Audit Committee including its Chairperson shall be persons with ability to read and understand financial statements.</p> <p>One Independent Director having financial knowledge will be appointed as the Chairperson of the Committee by the Chairman of the Board.</p> <p>In the absence of the Chairperson of the Committee, the remaining members present shall elect one of themselves to chair the meeting.</p> <p>Reconstitution</p> <p>The Chairperson of the Board shall reconstitute the Committee as and when required.</p>
Secretary	<p>The Company Secretary shall act as Secretary to the Committee and attend all meetings.</p>

Invitees	<p>The following persons may be invitees to the Committee meeting:</p> <ol style="list-style-type: none"> 1. Chief Executive Officer 2. Chief Financial Officer 3. Chief Technology Officer 4. Board members 5. Head of Internal Audit (Holding Company) 6. Chief Risk Officer (Holding Company)Chief of Finance (Holding Company) 7. Representatives of audit Firm(s) 8. Financial consultant or other expert <p>Other members of senior management of the Company/Holding Company/ subsidiary(ies), if any, shall be invited based on the agenda of the meeting.</p>
Quorum	<p>The quorum would be one third of the strength of the Committee or two Members, whichever is higher.</p> <p>Questions arising in any meeting shall be decided by a simple majority of votes.</p> <p>A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.</p>
Frequency of Meetings	<p>The Committee shall meet at such times as the Chairperson of the Committee shall require but at least one meeting be held in a financial year or shall meet at such frequency as may be prescribed under the Companies Act, 2013.</p> <p>The Chairperson of the Committee may - convene meetings of the Committee at any time to consider any matters falling within this Terms of Reference.</p> <p>The business of the Committee may be conducted through physical meetings or meetings in any electronic mode (audio visual means), as may be deemed appropriate by the Chairperson.</p>

<p>Duties and Responsibilities</p>	<ul style="list-style-type: none"> • To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible. • Reviewing the selection and application of critical accounting policies and processes, warranting consistent application. • Reviewing with management, the annual financial statements and auditor's report thereon before submitting to the board focusing primarily on- <ul style="list-style-type: none"> a. Matters required to be included in Directors' responsibility statement to be included u/s sec 134(3) of the Companies Act, 2013 b. Any changes, if any, in accounting policies and practices. c. Major accounting entries, based on exercise of judgement by management. d. Qualifications in draft audit report. e. Significant adjustments arising out of audit. f. disclosure of any related party transactions g. The going concern assumption • Reviewing the financial statements of subsidiary company/companies, especially the investments made. • Reviewing and recommending the Company's financial and other related policies to the Board for approval. • To examine the financial statements and the auditors' report thereon. • Examining and recommending quarterly, half yearly and annual financial statements and the auditors' report including limited review report thereon to the Board. • Recommending annual budget and seeking approval from the Board. • Reviewing the scrutiny of inter-corporate loans and investments. • Seeking valuation of undertakings or assets of the company, wherever it is necessary. • Evaluation of internal financial controls and related financial risk management systems. • Monitoring the end use of funds raised through public offers and related matters. Also review performance of the investments of the company from the risk and reward optimization perspective when needed.
---	--

Statutory Audit

- Approving the fee for Statutory Audit including Limited Review fee or any other audit related services as may be required to be availed by the Company from time to time.
- To discuss with Statutory Auditors before the audit commences about nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

Internal Audit

- Reviewing and approving the internal audit plan, including the scope, risk assessment, and resources.
- Reviewing performance of internal auditors and the adequacy of internal control systems. (if required).
- Reviewing the adequacy of internal audit function, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit. (if required).
- Engaging in an exclusive/separate discussion with the Head of Internal Audit in the absence of the management, on issues of interest. (on need basis)
- Discussing any significant findings with the internal auditors and follow up there on.
- Reviewing the findings of any internal investigations into matters concerning suspected fraud, irregularity, misconduct or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Reviewing Management audits.

Other matters

- Approval of transaction of the Company with the Related Parties including granting omnibus approval or any subsequent modification thereto.
- Recommending appointment, remuneration, and terms of appointment of auditors (Statutory Auditor, Internal Auditor, Tax Auditor, Secretarial Auditor and any other auditor) of the company to the Board.
- Reviewing all issues / concerns raised in the supervisory / Inspection reports of Regulators, Reports of Statutory Auditors/ CAG and follow up action on the issues raised.

- | | |
|--|--|
| | <ul style="list-style-type: none">• Taking on record CAG Audit Report.• Taking on record RBI Inspection Report.• Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.• Approving or ratifying transactions of the Company with related parties (as defined under the applicable laws), and reviewing significant transactions and matters related thereto.• Exercising its powers and carrying out its responsibilities as may be required from time to time under the Whistle Blower Policy of the Company.• Approving the appointment of the CFO after assessing the qualifications, experience and background etc. of the candidate.• Reviewing the complaints made under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.• Addressing and dealing with such other matters as may be delegated by the Board to the Audit Committee and matters referred under applicable laws. |
|--|--|

Authority	<p>Further, the Committee is empowered to:</p> <ul style="list-style-type: none">i. Recommend financial sanctions, if any, to matters pertaining to this Committee,ii. Seek information from any employee as considered necessary,iii. Obtain external legal and professional advice and to secure their attendance at the meeting as considered necessary,iv. Secure attendance of outsiders with relevant expertise; andv. Investigate any activity within its terms of reference.
Review	<p>This Terms of Reference shall be reviewed as and when necessary.</p>

Committee of Independent Directors

Terms of Reference

The Committee of Independent Directors (“the Committee”) was constituted to oversee the pricing of NPCI Bharat BillPay’s products and services, including considerations for waiving charges. Additionally, the Committee is tasked with reviewing the performance of the Non-Independent Directors, the Chairperson of the Board, and the Board as a whole, as stipulated under Section 149 read with Schedule IV of the Companies Act, 2013 (“the Act”).

Purpose

To meet the compliance requirements of Principles for Financial Market Infrastructure (PFMI), the Committee of Independent Directors (the Committee) has been constituted to put in place necessary governance arrangements that address any possible or perceived conflict of interest situations. The Committee reviews all the pricing decisions related to the products and services of the Company and ensures that the pricing decisions are conducted in a fair, unbiased and transparent manner. The Committee also deals with the matters which are required to be dealt with by a meeting of Independent Directors as prescribed under the Companies Act 2013.

Membership	Chairperson and Members of the meeting All the Independent Directors of the Company shall be the Members. The Chairman of the Board shall be the Chairperson of the meeting. In the absence of the Chairman of the Board, the remaining members present shall elect one of themselves to chair the meeting.
Secretary	The Company Secretary shall act as Secretary to the meeting and attend all meetings.
Quorum	The quorum would be one third of the strength of the Committee or two Members, whichever is higher. Questions arising in any meeting shall be decided by a simple majority of votes. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

Frequency of Meetings	<p>The Committee shall meet at such times as the Chairperson of the Committee deems appropriate, but at least one meeting be held in a financial year or at such frequency as may be prescribed under the Companies Act, 2013 without the attendance of non-independent directors and members of management;</p> <p>The Committee can meet for an exclusive discussion without the presence of the management if it deems necessary.</p> <p>The business of the Committee may be conducted through physical meetings or meetings in any electronic mode (audio visual means), as may be deemed appropriate by the chairperson.</p>
Duties & Responsibilities	<p>As per Schedule IV of the Companies Act, 2013</p> <ul style="list-style-type: none"> • Reviewing the performance of non-independent directors and the Board as a whole; • Reviewing the performance of the Chairperson of the company, considering the views of executive and non-executive directors • Assessing the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. <p>Pricing of NBBL's products and services-</p> <ul style="list-style-type: none"> • Reviewing and deciding pricing proposals submitted by management for all products and services of the Company. • Recommending waiver of charges/fees for any products or services whether existing or for future, considering the urgency of the requests. • Making pricing decisions including special deals with some customers/consumers • Ensuring fair and unbiased decision making related to pricing and no preferential treatment is given to any interested party by Company;

	<ul style="list-style-type: none">• Carry out any other function as is referred by the Board of Directors of the Company and as provided under Companies Act, 2013 from time to time.
Authority	Further, the Committee is empowered to: <ul style="list-style-type: none">i. Seek information from any employee as considered necessary;ii. Obtain legal and professional advice externally as considered necessary;iii. Secure attendance of outsiders with relevant expertise; andiv. Investigate any activity within its terms of reference.
Review	This Terms of Reference shall be reviewed as and when necessary.

Corporate Social Responsibility Committee

Terms of Reference

Background:

The Corporate Social Responsibility Committee ("the Committee") is constituted for carrying out charitable activities that are not restricted to ones prescribed under the Companies Act, 2013 ("Act") or any other law for the time being in force. The Committee has been vested with the full responsibility of formulating Policy framework, allocating budget, planning and execution of CSR activities and make recommendations in this regard to the Board of Directors. The Committee also assesses the impact of CSR activities undertaken by the Company.

Purpose:

The CSR committee has been constituted under the Act to serve purposes beyond compliance with the statutory obligations. The Committee aims at planning, implementing, and monitoring activities that successfully meet social obligations in the most efficient and transparent manner. This Committee attempts at fostering sustainable development and inclusive growth. Thus, to positively impact various stakeholders and promote a more equitable and sustainable business environment by encouraging businesses to embrace their responsibility towards society, it is imperial for NBBL's CSR committee to endeavour at contributing to address social and environmental challenges.

Composition
Chairperson and Members of the Committee The Committee shall comprise of three or more Directors out of which one director shall be an Independent Director. One Director having knowledge in the CSR field will be appointed as the Chairperson of the CSR Committee by the Chairman of the Board In the absence of the Chairperson of the Committee, the remaining members present shall elect one of themselves to chair the meeting. Reconstitution: The Chairperson of the Board shall reconstitute the Committee as and when required.
Secretary The Company Secretary shall act as Secretary to the Committee and attend all meetings.

Quorum

The quorum would be one third of the strength of the Committee or two Members, whichever is higher.

Questions arising in any meeting shall be decided by a simple majority of votes.

A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

Frequency of Meetings

The Committee shall meet at such times as the Chairperson of the Committee deems appropriate or at such frequency as may be prescribed under the Act

The Chairperson of the Committee may convene meetings of the Committee at any time to consider any matters falling within this terms of reference.

The business of the Committee may be conducted through physical meetings or meetings in any electronic mode (audio visual means), as may be deemed appropriate by the Chairperson.

Duties & Responsibilities

CSR policy:

- The CSR Committee will formulate and recommend to the Board, a CSR policy on the activities that would be the focus areas for the organization and would include some or all of the activities mentioned under Schedule VII of the Act.
- Evaluate and monitor the CSR policy from time to time;
- Recommend to the Board regarding the disclosure of contents of the policy and such other disclosures as required under Act to be included in the Board's Report;

CSR Budget and Annual Action Plan:

- To formulate and recommend to the Board, CSR Budget and Annual Action Plan, any modification therein and its implementation, in accordance with the Company's CSR policy and provisions of applicable laws from time to time.
- To formulate and recommend to the Board, various projects which indicates the activity or activities to be undertaken by the Company in areas or subjects specified

in Schedule VII, and also recommend the amount of expenditure to be incurred on the CSR activities within the limits as specified under the Act,

- To undertake CSR initiatives through other agencies or implementing partners with a track record of at least three financial years, adhering to NBBL's CSR Policy guidelines for selecting CSR partners;

Monitoring and Impact assessment

- To establish a transparent monitoring mechanism for overseeing the implementation of the CSR Annual Action Plan, CSR projects or programs or activities undertaken by the Company
- To undertake impact assessment of the CSR activities through an independent agency;
- To review the reports presented by the management on assessment and analysis of CSR impact on the beneficiaries
- Inspection of the projects' sites, if required, to monitor the status of the projects.

Carry out any other function as provided under Section 135 of the Companies Act, 2013 and Schedule VII thereof and/or as is referred by the Board of Directors of the Company from time to time.

Dissemination of Information

The CSR Policy of the Company shall be placed on the website of the Company. A detailed status report on the CSR activities carried out by the Company shall be disclosed every year as a part of the Boards' Report in the Annual Report

Authority

Further, the Committee is empowered to -

- Give financial sanctions, if any, to matters pertaining to this Committee
- Seek information from any employee as considered necessary;
- Obtain legal and professional advice externally as considered necessary;
- Secure attendance of outsiders with relevant expertise; and
- Investigate any activity within its terms of reference.

Review

This Terms of Reference shall be reviewed as and when necessary