

**GODREJ HOUSING
FINANCE LIMITED**

**Internal Guidelines on
Corporate Governance**

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1. BACKGROUND, OBJECTIVES AND SCOPE

1.1 Background

Godrej Housing Finance Limited (“GHFL” or “the Company”), is a part of the Godrej Group which has an established reputation of honesty, integrity and sound governance over the years. The Company is committed to maintaining the highest standards of Corporate Governance in its conduct towards shareholders, employees, regulators, customers, suppliers, lenders and other stakeholders.

The Company’s philosophy of corporate governance is to achieve business excellence by enhancing the long-term welfare and value for its various stakeholders. The Company believes that corporate governance is about creating organisations that succeed in the marketplace with the right approach and values.

The Reserve Bank of India (“RBI”) vide Paragraph 122 of Chapter VIII of Reserve Bank of India (Housing Finance Companies) Directions, 2025 (“RBI Directions”) read with Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions dated November 28, 2025 and other applicable regulations as updated from time to time has prescribed that Housing Finance Companies (‘HFCs’) should frame their Internal Guidelines on Corporate Governance with the approval of the Board of Directors and host it on website.

Accordingly, the Company has framed its Internal Guidelines on Corporate Governance (“CG Guidelines or Policy”) with the approval of its Board of Directors.

1.2 Objective

The objective of the CG Guidelines is to adopt the best standards of Corporate Governance through transparency in business ethics, accountability & required disclosure to its customers, government/ regulatory authorities and other stakeholders.

2. BOARD OF DIRECTORS

The Board of Directors of the Company (“Board”) is the apex body constituted by the Shareholders for overseeing the Company’s overall functioning. The Board of Directors plays a significant role in upholding and furthering the principles of good governance. The Board provides and evaluates the Company’s strategic directions, management policies and their effectiveness and ensures that shareholders’ long-term interests are being served.

The Board along with the Committees constituted by it provides leadership and guidance for management of the Company.

It will be ensured that each Directors of the Company is eligible for appointment on the Board as per the Companies Act, 2013 (“Act”), SEBI Regulations, RBI Directions, applicable IRDAI guidelines and other applicable laws. All Directors need to meets the Fit & Proper criteria prescribed in the Fit & Proper policy in line with the RBI Directions at the time of appointment and on continuing basis.

The Company recognizes the importance of having a Board comprising of Directors who have a diverse range of experiences, capabilities and independent points of view. The Board of Directors of the Company are expected to have experience, expertise, capabilities as under:

- Experience in Strategy & Business,
- Industry Expertise,
- Market Expertise,

- Technology Perspective,
- People & Talent Understanding,
- Expertise in Governance, Finance & Risk,
- Diversity of Perspective.
- Leadership
- Sustainability
- Financial Services

As per Para 8 of Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions , at least one of the directors shall have relevant experience of having worked in a bank/ NBFC.

2.1 Independent Director

Company has appointed Independent Directors as required under Section 149 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

Within the permissible limits in terms of the Act and Listing Regulations, an independent director shall not be on the Board of more than three NBFCs (NBFCs-ML or NBFCs-UL) at the same time.

Further, the Board of the Company shall ensure that there is no conflict arising out of their independent directors being on the Board of another NBFC at the same time.

There shall be no restriction to directorship on the Boards of NBFCs-BL, subject to provisions of the Act and Listing Regulations.

2.2 The Board’s major responsibilities:

The Board shall act in accordance with the duties as provided under the Act, RBI Directions and other applicable laws. The Independent Directors shall abide by the Code for Independent Directors under the Act and Listing Regulations.

2.3 The Board’s strength – The composition and strength of the Board shall be as per the applicable provisions of the Act, Listing Regulations, RBI Directions and other applicable laws and constitutional documents of the Company.

2.4 Fit and Proper Policy- The Company has adopted a Fit and Proper Policy, in accordance with the regulatory requirements, for ascertaining the fit and proper criteria of the Directors at the time of appointment, and on a continuing basis.

2.5 Declaration and Undertaking from the Directors- The Company shall obtain a declaration and undertaking from all its directors giving information as per the Act, Listing Regulations, RBI Directions and other applicable laws.

2.6 Deed of Covenant- The Company will get the Deed of Covenant executed between each of its Directors and Company, as per the format prescribed by RBI/ National Housing Bank (NHB).

2.7 Meetings of the Board of Directors- The Board meetings shall be held at least 4 times in a year, such that not more than 120 days shall intervene between 2 consecutive meetings.

However, in case of any business requirements, the Board meeting can be held at any time within the prescribed laws.

2.8 Loans / advances to Directors, Senior Officers and Relatives of Directors –Grant of loan / advances to Director, senior officer & relatives of Directors shall be as per the guidelines prescribed under Para 61, 62, 63 & 64 of RBI Directions read with Reserve Bank of India (Non-Banking Financial Companies – Credit Risk Management) Directions, 2025 which also form part of Credit Policy of the Company.

2.9 Submission of information with respect to change of address, directors, auditors, etc to National Housing Bank.

As per para 230 of RBI Directions read with Reserve Bank of India (Non-Banking Financial Companies – Miscellaneous) Directions, 2025, the Company shall communicate, not later than one month from the occurrence of any change in following to National Housing Bank (NHB):

- the complete postal address, telephone number/s and fax number/s of the registered/ corporate office;
- the names and residential addresses of the directors of the company;
- the names and the official designations of its principal officers;
- the names and office address of the auditors of the company; and
- the specimen signatures of the officers authorised to sign on behalf of the company on the returns specified by NHB.

2.10 Information to be provided to the Board:

Company shall provide following information to the Board of Directors at regular intervals:

- a) Strategy, Annual operating plans and budgets, capital budgets, any updates thereon and periodic reviews of performance of the Company,
- b) Quarterly results of the Company,
- c) Constitution of, delegation of authority to and terms of reference of various committees constituted by the Board,
- d) Minutes of meetings of various committees of the Board of Directors,
- e) Review of Policies and control systems.
- f) Amendments/ updates in the applicable regulations.
- g) Modifications in the Memorandum & Articles of Association, Delegation of Authority etc.
- h) Non-compliance of any regulatory/ statutory requirements, regulatory/ statutory show cause notice/ penalty etc.
- i) Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- j) Sale of material nature of investments, subsidiaries, assets, which is not in the normal course of business.
- k) Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer, Chief Risk Officer, Chief Compliance Officer & Company Secretary.
- l) All information which is reasonably required by the Board/ Director to carry out their functions and duties and to take informed decisions in respect of matters brought before

the Board for its consideration or entrusted to the Director by the Board or any committee thereof.

3. QUARTERLY STATEMENT TO RBI/ NHB –

The Company shall submit a statement to NHB on a quarterly basis (no later than 15 days from the end of every financial quarter) setting out the change of directors of the Company and shall also be accompanied by a certificate of the Managing Director of the Company confirming that the fit and proper criteria in selection of such new directors has been followed. Statement submitted for position as on 31st March shall also be certified by the auditors of the Company. Further, in case of no change in the Directors during a quarter, a 'NIL' statement shall be submitted.

4. KEY MANAGERIAL PERSONNEL

Company has appointed Managing Director and Executive Officer (MD&CEO), Chief Financial Officer & Company Secretary as required under Section 203 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, to provide direction and management to the affairs of the Company.

5. STATUTORY APPOINTMENTS UNDER DIRECTIONS / NOTIFICATIONS ISSUED BY RBI:

a) Chief Risk Officer:

RBI Direction read with Point D Chapter IV of the Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions states that prescribed NBFCs are required to appoint a Chief Risk Officer (CRO) when it crosses asset size of Rs. 5,000 Crore. As the Company meets the prescribed criteria, it has appointed a Chief Risk Officer. CRO is a senior official in the hierarchy of Company and possesses adequate professional qualification/ experience in the area of risk management. CRO has direct reporting lines to the MD / CEO/ Risk Management Committee (RMC) of the Board and shall function independently to ensure highest standards of risk management.

b) Chief Information Officer

In line with Para 8 of Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated November 7, 2023, every Non-Banking Financial Company shall appoint sufficiently senior level, technically competent and experienced official in IT related aspects as Head of IT Function by whatever name called viz. Chief Technology Officer or Chief Information Officer. Accordingly, the Company has appointed Chief Information Officer to ensure that there is an effective organisational structure to support IT functions in the Company and that execution of IT projects/ initiatives is aligned with the Company's IT Policy and IT Strategy.

c) Chief Information Security Officer

As per Para 24 of Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated November 7, 2023, every Non-Banking Financial Company shall appoint a senior level executive (preferably in the rank of a General Manager or an equivalent position) as the Chief Information Security Officer ("CISO") who would be responsible for driving cyber security strategy and ensuring compliance to the extant regulatory/ statutory instructions on information/ cyber security. Accordingly, the Company has appointed CISO.

d) Chief Compliance Officer:

To ensure an effective compliance culture, Company has appointed Chief Compliance Officer as per RBI notification on Compliance Function and Role of Chief Compliance Officer (CCO) dated April 11, 2022. CCO is sufficiently senior in the organization hierarchy and has a good understanding of the industry and risk management practices, knowledge of regulations, legal requirements, and have sensitivity to Supervisory expectations. CCO has direct reporting lines to the MD &CEO and / or Board / Board Committee.

e) Grievance Redressal Officer

In line with RBI Directions, Board of Directors of all applicable Housing Finance Companies shall lay down the appropriate grievance redressal mechanism within the organization and ensure that all disputes arising out of the decisions of lending institution's functionaries are heard and disposed of at least at the next higher level. Accordingly, Company has appointed grievance Redressal Officer to ensure timely resolution of complaints.

f) Head of Internal Audit

As per RBI notification on Risk Based Internal Audit dated February 3, 2021 ("RBI Notification"), all applicable Non-Banking Financial Company with asset size of ₹5,000 crore and above shall appoint Head of Internal Audit ("HIA") who shall be a senior executive with the ability to exercise independent judgement. Accordingly, the Company has appointed HIA of the Company.

g) Designated Director & Principal Officer

As per Reserve Bank of India (Non-Banking Financial Companies – Know Your Customer) Directions, 2025, all Non-Banking Financial Companies shall:

- Designate a Director as "Designated Director" to ensure overall compliance with the obligations imposed under Chapter IV of the Prevention of Money Laundering Act and the Rules thereunder.
- Appoint a Principal Officer shall be responsible for ensuring compliance, monitoring transactions, and sharing and reporting information as required under the law/regulations

Accordingly, the Company has appointed Designated Director & Principal Officer.

h) Principal Officer for Corporate Agency

As per IRDAI (Registration of Corporate Agents) Regulations, 2015, a Corporate Agent shall appoint a Principal Officer exclusively for supervising its activities and who possesses the requisite qualifications and practical training and has passed examination as required under these Regulations.

Accordingly, the Company has appointed a Principal Officer having requisite qualification for supervising its corporate agency activities.

6. COMMITTEES CONSTITUTED BY THE BOARD

Committees are constituted by the Board of Directors for the purpose of assisting the Board and ensuring specialized and focused attention is given to certain matters. Further, there is sometimes a regulatory requirement to constitute certain committees of Board.

Brief details of various committees constituted by the Board are as follows:

Name	Type	Frequency	Constitution	Broad Role
Audit Committee of Board	Board	Quarterly	3 Non-Executive Independent Directors	Required under Section 177 of the Act Regulation 62F of Listing Regulations, Paragraph 111 of RBI Directions read with Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions and undertakes all matters prescribed for its working therein. It interalia reviews and recommends all matters related to financial, auditors, compliances / regulatory matters, related party transaction review & approval, internal controls and other matters incidental thereto.
Nomination & Remuneration Committee	Board	Need based	2 Independent Directors & 1 Non - Executive Director	Required under Section 178 of Act, Regulation 62G of Listing Regulations, Paragraph 112 of RBI Directions read with Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions and undertakes all matters prescribed for its working therein. It interalia reviews and recommends all matters related to Director / Key Management Person appointment, tenure, review of performance & pay and exit including those prescribed under Paragraph 52c of above Directions. It also reviews compliance with fit & proper criteria for Directors and annual declaration to compliance by Directors.
Stakeholders Relationship Committee	Board	Yearly	1 Independent Director, MD&CEO & 1 Non - Executive Director	Required under Chapter VA - Regulation 62H of Listing Regulations and undertakes all matters prescribed for its working therein. It specifically looks into various aspects of interest of shareholders, debenture holders and other security holders such as resolving grievances, effective exercise of voting rights, review of measures and initiatives and other incidental matters.
Risk Management Committee	Board & Executive	Quarterly	1 Independent Director, MD & CEO, 1 Non-Executive Director and Chief Risk Officer (CRO)	Required under Regulation 62I of Listing Regulations, Paragraph 113 of RBI Directions read with Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions and undertakes all matters prescribed for its working therein. Among other things it quarterly reviews risk which

				impacts the organization and actions taken to mitigate them.
IT Strategy Committee	Board & Executive	Quarterly	2 Independent Director, MD & CEO, 1 Non-Executive Director and Chief Technology Officer (CTO).	Required under Paragraph 6 of Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated November 7, 2023 and undertakes all matters prescribed for its working therein. It reviews working of IT Steering Committee and matters related to Information Technology such as Information Security and business continuity.
Grievance Redressal Committee	Board & Executive	Quarterly	1 Independent Director, MD & CEO, 1 Non-Executive Director and Chief Marketing Officer (CMO)	The Committee has been constituted to ensure that all matters related to customer & their grievances, from company or any of its agent / partner, are regularly reviewed.
Corporate Social Responsibility Committee	Board	Need Based	2 Independent Director, MD & CEO and 1 Non-Executive Director.	Required as per Section 135 of the Act & oversees the requirements placed on Company under the Act for corporate social responsibility.
Asset Liability Management Committee	Board & Executive	Quarterly	MD & CEO, 1 Non-Executive Director, Chief Financial Officer (CFO), CRO, Head - Treasury, National Credit Head - Prime Home Loans and Head-Credit Underwriting (Affordable Housing Finance)	Required under Para 8 Reserve Bank of India (Non-Banking Financial Companies - Asset Liability Management) Directions, 2025 and undertakes all matters prescribed for its working therein. It deals with all matters related to Asset-Liability and matters prescribed under Board approved Asset-Liability Management Policy and Borrowing & Investment Policy. Asset Liability Management Committee reports to Risk Management Committee.
Credit Committee	Board & Executive	Quarterly	MD & CEO, 2 Non-Executive Directors and CRO	The Committee has been constituted to take decisions related to credit. Among other things, Committee approves cases above defined limit, reviews subsidiary credit policies, manual, products etc. It reviews working of Product Committee.

Borrowing & Investment Committee	Board & Executive	Need Based	MD & CEO, 1 Non-Executive Director, and CFO	This Committee has been constituted to enable decisions with respect to borrowing & investments of the Company. The decisions are governed as per Board approved Borrowing & Investment policy of the Company.
Willful Defaulter Review Committee	Board	Need Based	2 Independent Director and MD & CEO	Required under Para 229 of RBI Directions read with Reserve Bank of India (Non-Banking Financial Companies - Treatment of Willful Defaulters and Large Defaulters) Directions, 2025 and undertakes all matters prescribed for its working therein. It reviews recommendation of Willful Defaulter Identification Committee with respect to any willful default.
IT Steering Committee	Board & Executive	Quarterly	MD& CEO, CFO & CTO	Required under Paragraph 7 of Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated November 7, 2023 and undertakes all matters prescribed for its working therein. It reviews inter alia matters related to Information Technology such as Information Security and business continuity. IT Steering Committee reports to IT Strategy Committee.
Whistleblower Committee	Board & Executive	Need Based	MD & CEO, CRO, Chief Human Resource Officer (CHRO), Head - Corporate Audit & Assurance and CRO	Required under Section 177 of the Act and undertakes all matters prescribed for its working therein. It takes decisions with respect to whistle-blow complaints and matters incidental thereto. Whistleblower Committee will report to the Audit Committee.
Willful Defaulter Identification Committee	Board & Executive	Need Based	CRO, CFO and National Credit Head - Prime Home Loans	Required under Para 229 of RBI Directions read with Reserve Bank of India (Non-Banking Financial Companies - Treatment of Willful Defaulters and Large Defaulters) Directions, 2025 and undertakes all matters prescribed for its working therein. It reviews matters related to willful default. Willful Defaulter Identification Committee reports to Willful Defaulter Review Committee.
Internal Committee	Executive	Need Based	As decided and approved by Board from time to time	Required under Section 4 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and undertakes all matters prescribed for its working therein.

Product Committee	Executive	Need Based	MD&CEO, CFO,CTO, CMO,CRO	Required as per RBI notification on Compliance Function and Role of Chief Compliance Officer (CCO) – NBFCs dated April 11, 2022 and undertakes all matters prescribed for its working therein. It approves new products, changes in existing products and reviews their performance. Product Committee reports to Credit Committee.
Information Security Committee	Executive	Quarterly	CRO, CTO, and Chief Information Security Officer	Required as per Paragraph 24 of Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated November 7, 2023 and undertakes all matters prescribed for its working therein. It undertakes development / implementation of information/ cyber security policies, approving and monitoring information security projects and security awareness initiatives, reviewing cyber incidents etc. Information Security Committee reports to IT Strategy Committee.
'Special Committee of the Board for Monitoring and Follow-up of cases of Frauds' (SCBMF)	Executive	Need Based	MD&CEO, CRO and National Credit Head – Prime Home Loans	Required as per Para 2.3 of RBI Master Directions on Fraud Risk Management in Non-Banking Financial Companies (NBFCs) (including Housing Finance Companies), dated July 15, 2024 and undertakes all matters prescribed for its working therein. It oversee effectiveness of fraud risk management, monitor cases of frauds, root cause analysis, mitigating measures, strengthening internal controls, risk management framework and minimising the incidence of frauds, reviews categories/trends of frauds, industry/sectoral/geographical concentration of frauds, delay in detection/classification of frauds, examination/conclusion of staff accountability and issuance of detailed Show Cause Notice to those against whom allegation of fraud is being examined and pass reasoned order in this regard.

The above Committees are formed in accordance with the provisions of the Act, Listing Regulations, circulars / directions /notifications issued by RBI as applicable to the Company being a Middle Layer NBFC including the RBI Corporate Governance Directions, other applicable regulations as specified by the regulators from time to time and for internal requirements & operational convenience. The Board may decide to constitute any other committee to be part of the abovementioned structure.

7. GUIDELINES ON COMPENSATION OF KEY MANAGERIAL PERSONNEL (KMP) AND SENIOR MANAGEMENT IN NBFCS

The guidelines on compensation of KMP and senior management in NBFCS as detailed under RBI Direction read with Point H of Chapter IV of Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions are included in the Nomination & Remuneration Policy of the Company.

8. PRIOR APPROVAL OF RBI FOR ACQUISITION/ TRANSFER OF CONTROL

The Company shall sought prior approval of RBI in case of acquisition / transfer of control of the Company and follow procedure detailed under Para 106 of RBI Directions read with Reserve Bank of India (Non-Banking Financial Companies – Acquisition of Shareholding or Control) Directions and Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions, 2025.

9. DISCLOSURE AND TRANSPARENCY

As per Para 119 of RBI Directions read with Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions, 2025 , GHFL shall put up to the Board of Directors, at regular intervals the following:

- a) The progress made in putting in place a progressive risk management system and risk management policy and strategy followed by the Company and is presented to the Risk management Committee;
- b) 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.

Further, as per para 120 of RBI Directions read with Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025, and other applicable regulation and guidelines the Company shall make relevant disclosure in its Annual Financial Statements

10. STATUTORY AUDITORS

Company has framed Policy for appointment of Statutory Auditor as per RBI Notification on Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) dated April 27, 2021. Company rotates its audit firm and auditors in compliance with the extant guidelines.

11. REVIEW, MODIFICATION & CHANGES

- There shall be an annual review of the Policy by the Board,

- The Board can at any time modify or amend, either the whole or any part of Policy, within the regulatory framework.

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