



INDIAN RENEWABLE ENERGY DEVELOPMENT AGENCY LIMITED

INTERNAL GUIDELINES ON CORPORATE GOVERNANCE

(As on August 26, 2023)

INTERNAL GUIDELINES ON CORPORATE GOVERNANCE

I. PREFACE

The Board of Directors (**the Board**) of Indian Renewable Energy Development Agency Limited (**IREDA**) (**the Company**), have framed Internal Guidelines on Corporate Governance as per the requirement of the Reserve Bank of India Master Direction.

The Board has adopted these guidelines, which reflect IREDA's commitment to high standards of Corporate Governance, to assist the Board in supervising the management of the business and affairs of IREDA as required under applicable laws and Regulations. The Board seeks to ensure fair reporting, including financial reporting, to shareholders & other stakeholders of the Company.

II. PURPOSE

The purpose of these guidelines is to ensure compliance with legal requirements and set standards for Corporate Governance.

III. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company firmly believes and consistently practices good corporate governance. The Company's policy is reflected by the values of transparency, professionalism and accountability. The Company constantly strives towards betterment of these aspects and thereby generating long-term economic value for its customers, employees, stakeholders and the society as a whole.

The Company is committed to be a competitive, client-friendly and development-oriented organization, financing and promoting renewable energy and energy efficiency projects. The Company's corporate structure conduct of business and disclosure practices have been aligned to its Corporate Governance Philosophy.

IV. GOVERNANCE STRUCTURE

a. **Board of Directors**

The Board have ultimate responsibility for management, general affairs, direction, performance and long-term success of business as a whole. The Board formulates strategies and policies, oversees their implementation and also reviews Company performance periodically. The Board of the Company provides leadership, objectives judgement, strategic guidance and exercise control over the Company while remaining all times accountable to all stakeholders. Further, wherever required, approval of the shareholders are taken.

b. **Committees of the Board**

1. Audit Committee

2. Nomination and Remuneration Committee:
3. Risk Management Committee
4. IT Strategy Committee
5. Corporate Social Responsibility Committee
6. Loan Committee of Directors
7. Stakeholder Relationship Committee
8. Review Committee meeting for Non Co-operative Borrower and Willful defaulter
9. NPA & Stressed Assets Resolution Committee

The terms of reference of the Committees is available on the website and/or in the Annual Report of the Company. The Committees meet as often as required or as prescribed under law. Further, minutes of all Committees are placed at the subsequent meetings of the Board.

In addition to the above Committees, the Board may constitute additional committees of Directors/Officials for operational purpose of the Company.

c. Code of Conduct

The Company has framed a Code of Conduct and Ethics for Board Members and Senior Management Personnel (Code). All Executive Directors, Non-Executive Directors (including Independent Directors) and Senior Management Personnel of the Company ensure compliance with the same on annual basis.

d. Vigil Mechanism

Pursuant to the Companies Act, 2013, SEBI Regulations, & DPE Guidelines on corporate Governance, Company has framed and adopted Policy on Vigil Mechanism / Whistle Blower Policy to enable its all Directors, Employee of the Company and / or its associate to raise their complaints / concerns / grievances related to any form of unethical behaviour, actual or suspected fraud, or violation of the company's General guidelines on conduct or ethics policy, misconduct, mismanagement or any kind of violation of laws, rules or regulations in the Company, in a prescribed method, without any fear of victimization and persecution.

Under the framework, the Company has developed a specific portal namely "Whistle Blower Portal of IREDA" wherein, the Whistle Blower may lodge his / her Disclosure / Complaint to the Competent Authority.

e. Disclosures

The Company is committed to make adequate and timely disclosures to all its stakeholders including regulators, statutory authorities, stock exchanges, shareholders, other security holders and general public, through website, Annual Report, direct communication and/or media announcements etc., in the manner stipulated under the applicable statutory provisions and/or policies of the Company from time to time.

The Report on Corporate Governance section of the Annual Report shall bring out the activities, initiatives and efforts made by the Company towards Corporate Governance.

f. Auditors

(i) Statutory Auditor

IREDA being a Government Company, the appointment of Statutory auditors for conducting the Statutory Audit of the Company, is done by the Comptroller & Auditor General of India.

(ii) Internal Auditor

On the recommendation of the Audit Committee, the Board of Directors appoint the Internal Auditors in accordance with the provisions of applicable laws and regulations who perform Independent and objective assessment of the internal controls, processes and procedures instituted by the Management and accordingly monitor its adequacy and effectiveness.

(iii) Secretarial Auditor

In compliance with the provisions of the Companies Act, 2013, IREDA is required to appoint a Secretarial Auditor to conduct secretarial audit of the company for every Financial Year. The Board of Directors appoint the Secretarial Auditor of the company.

(iv) Cost Auditor

In compliance with the provisions of the Companies Act, 2013, IREDA is required to appoint a Cost auditor for auditing of its Solar project. The Board of Directors appoint the Cost Auditor of the company on the recommendation of the Audit Committee.

V. REVIEW

These Guidelines may be reviewed from time to time and amended if required.
