



(A Mini Ratna Category-I PSU)
ISO 9001:2015, 27001:2013 Certified

INDIAN RENEWABLE ENERGY DEVELOPMENT AGENCY LIMITED

POLICY ON FIT AND PROPER CRITERIA FOR DIRECTORS

w.e.f. 26.03.2020

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POLICY ON FIT AND PROPER CRITERIA FOR DIRECTORS

The Board of Directors (the **Board**) of Indian Renewable Energy Development Agency Limited (**IREDA**) (**the Company**), has framed a Policy on Fit and Proper criteria of Directors as per the requirement of RBI. The Policy will come in force from the date of approval of the Board of Directors of IREDA Ltd.

All Directors of the Company, including Independent Directors, are appointed by the President of India acting through the administrative ministry, i.e., MNRE, Government of India. The appointment of Non- Official Part Time Independent Directors of the Company is subject to such terms and conditions as suggested by the Department of Public Enterprises (**DPE**) and as may be deemed fit by the President of India from time to time.

PURPOSE

This Policy intends to establish a system/process in place to ensure at all times that there should not be any conflict of interest of Directors with the operation of IREDA and his/her role therein.

DEFINITIONS

NRC means the Nomination & Remuneration Committee of the Board of Directors of the Company constituted under provisions of Companies Act, 2013

Directors mean individual Director or Directors on the Board of the Company.

Board means Board of Directors of the Company.

Policy means the Policy for ascertaining 'Fit and Proper' status of Directors.

Company means Indian Renewable Energy Development Agency Limited.

RBI means the Reserve Bank of India.

EVALUATION OF FIT AND PROPER CRITERIA

1. IREDA will ensure that any person who is appointed as director on the Board of the Company shall provide the following documents:
 - a. The consent to act as director in Form DIR-2, in pursuance to Section 152 of the Companies Act, 2013.
 - b. Declaration in Form DIR-8 that he/she is not disqualified to become a director in the company in pursuance to section 164 of the Companies Act, 2013
 - c. Declaration and undertaking in the format prescribed by the RBI
 - d. Execute Deed of Covenants with the Company in the format prescribed by the RBI

- e. Disclosure of Interest of Directors in other companies/firms in Form MBP-1, in pursuance to Section 184 of the Companies Act, 2013.
 - f. Declaration by Directors about the position occupied in the Board level committee's of others companies in Form list of Committee, in pursuance to DPE guidelines on Corporate Governance.
 - g. IREDA's Code of Business Conduct and Ethics for Board members and Senior Management Personnel.
 - h. Declaration of Independence by the Independent Directors in pursuance to Section 149 of the Companies Act, 2013.
2. The NRC shall scrutinize each Declaration and Undertaking received from the Director and take on record the same. The NRC shall after considering the information provided in the signed Declaration and Undertaking, decide on and recommend to the Board the acceptance or otherwise of the directors, where considered necessary.
 3. The Company shall require every director on the Board to annually provide information in point (e), (f), (g) & (h) and a declaration confirming that for point (c) and (d) that is no changes or where there is any change, specifies the requisite details of such change. Any declarations which indicates a change in the information provided in the original Declaration and Undertaking shall also be scrutinized by the NRC and the NRC shall keep the Board apprised of any such changes.

REPORTING TO RBI

IREDA shall furnish to the RBI a quarterly statement on change of directors within the time limit prescribed by the RBI and the statement for the quarter ending March 31, shall be certified by the auditors. The said certificate shall be provided to RBI in accordance with RBI guidelines.
