

Corporate Governance Report

Company's Corporate Governance Philosophy

The Company believes in adopting best practices of corporate governance, which form the core values of your Company. These guiding principles are also articulated through the Company's code of business conduct, Corporate Governance guidelines, charter of various Committees, sub-committees and disclosure policy.

The Company strives to ensure compliance with the various Corporate Governance and considers it as its inherent responsibility to protect the rights of Company's stakeholders and disclose timely, adequate and accurate information regarding the financials and performance, as well as the leadership and governance of the Company.

The Board ensures the strategies adopted to promote the sustainability of the company and also ensures the Company's compliance with all applicable laws, regulations, governance, guidelines and regulations and establishes the systems to effectively monitor and control compliance across the Company.

This report highlights the Company's practices for the Financial Year 2020 – 21.

Code of conduct

The Company has adopted the policy on Code of Conduct and Business Ethics for its employees to observe and exhibit high degree of professional ethics, fairness & transparency in conducting themselves in discharge of their duties and responsibilities in line with the Company's Code of Conduct including all other organizational policies, codes and the laws in force in this regard. The Company believes that we must always act with integrity to ensure we are trusted by its business partners, customers and our stakeholders. It is always expected that the employee acts with a high degree of integrity to ensure that trust is maintained by the business partners, customers and the Company's stakeholders.

The Company has also adopted the Code of Conduct for its Directors. The Code is a professional conduct guideline for Directors of the Company. Adherence to this Code by Directors and fulfilment of their responsibilities in a professional and faithful manner which promotes confidence of various stakeholders including various regulators. Implementation of best Corporate Governance practices by Directors enhances the Company's governance and management efficiency which improves its image and contributes to the overall value growth of the company's shareholders.

A declaration signed by the Whole-Time Director of the Company confirming the compliance by Board Members and Senior Management personnel with the Code of Conduct is also annexed with this Report.

Both the Codes of conduct are available on Company's website at <https://www.kfintech.com/disclosures/>

Codes and policies under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Board of Directors ('the Board') of the Company has adopted the Code for Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, Code of conduct as a Company with listed debentures to regulate, monitor and report trading by designated persons, Code of conduct as intermediaries and fiduciaries to regulate, monitor and report trading by designated persons, policy and procedures for inquiry in case of leak of unpublished price sensitive information and policy for determination of legitimate purposes .

All our Promoters, Directors, Employees of the Company who are identified as Designated Persons, and their Immediate Relatives and other Connected Persons such as auditors, consultants, bankers amongst others, who could have access to the unpublished price sensitive information of the Company are governed under these Codes and Policies.

These codes and policies are available on our website at <https://www.kfintech.com/disclosures/>

Board of Directors

The Board of the Company is responsible for overseeing the corporate governance framework. The Board adopts strategic plans and policies, monitoring the operational performance, establishing policies and processes that ensure integrity of the Company's internal controls and risk management. The Board establishes clear roles and responsibilities in discharging its fiduciary and leadership functions and also ensures that the management actively cultivates a culture of ethical conduct and sets the values to which the institution will adhere.

Composition of the board

In accordance with requirements of the Articles of Association of the Company, the Companies Act, 2013 ('Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (to the extent applicable to debt listed entity) and the statutory, regulatory and contractual obligations of the company to maintain the Board's independence and separate its functions of governance and management.

As on March 31, 2021, the Board comprised eight (8) directors wherein one (1) is a Whole-Time Director ('WTD'), four (4) are Non-Executive Nominee Directors ('NEDs') and three (3) are Independent Directors ('IDs') including a Woman Independent Director. The composition of the Board of Directors of the Company is in conformity with Section 149 of the Act. The Board periodically evaluates the need for change in its composition and size. A detailed profile of our Directors is available on our website at <https://www.kfintech.com/about-us/>

Independent Directors are Non-Executive Directors as defined under Section 149(6) of the Act along with Rules framed thereunder. Based on the declarations received from the IDs, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149 of the Act and that they are independent of the management.

Further, the IDs have in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs.

The Company has issued formal letters of appointment to the IDs and their appointments are in compliance with the Act. The terms and conditions of appointment of IDs including their role, responsibility and duties are available on our website at <https://www.kfintech.com/disclosures/>

There are no inter-se relationships between our Board Members.

Table A: Composition of the Board and Directorship(s) held as on March 31, 2021

Name of the Director	No. of directorship(s) held in Indian Listed Companies		No. of Board Committee positions held in Indian Listed Companies		Directorship(s) in other listed entity (Category of Directorship)
	Chairperson	Member	Chairperson	Member	
Vishwanathan Mavila Nair Designation: Director & Chairman of the Board DIN: 02284165	Nil	Nil	Nil	Nil	Nil
Venkata Satya Naga Sreekanth Nadella Designation: Whole-time Director & CEO DIN: 08659728	Nil	Nil	Nil	Nil	Nil
Sandeep Achyut Naik Designation: Non-Executive Nominee Director DIN: 02057989	Nil	Nil	Nil	Nil	<ul style="list-style-type: none"> • IIFL Wealth Management Limited • Krishna Institute of Medical Sciences Limited
Shantanu Rastogi Designation: Non-Executive Nominee Director DIN:	Nil	Nil	Nil	Nil	<ul style="list-style-type: none"> • Krishna Institute of Medical Sciences Limited • IIFL Wealth Management Limited

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Srinivas Peddada Designation: Additional Director DIN: 08755240	Nil	Nil	Nil	Nil	Nil	Nil
Kaushik Mazumdar Designation: Independent Director DIN: 00397815	Nil	Nil	Nil	Nil	Nil	Nil
Sonu Halan Bhasin Designation: Independent Director DIN: 02872234	Nil	Nil	1	4*	<ul style="list-style-type: none">• Berger Paints India Limited• Whirlpool Of India Limited• Indus Towers Limited• Sutlej Textiles And Industries Limited	
Prashant Saran Designation: Independent Director DIN: 08747512	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

1. Directorships in other Indian Public Companies (listed and unlisted) excludes Section 8 Companies.
2. The disclosure includes chairmanship/membership of the Audit Committee, CSR Committee, Nomination and Remuneration Committee in Indian Listed companies.

SELECTION OF NEW DIRECTORS AND BOARD MEMBERSHIP CRITERIA

The Nomination and Remuneration Committee ('NRC') works with the Board to determine the appropriate qualifications, positive attributes, characteristics, skills and experience required for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business, government, education and public service.

DIRECTORS QUALIFICATIONS, SKILLS, EXPERTISE, COMPETENCIES AND ATTRIBUTES

Given below is the chart setting out the skills/ expertise/ competencies of the Board of Directors:

Name of the Director	Expertise in specific functional area
Vishwanathan Mavila Nair Designation: Director & Chairman of the	He advises select Private Equity and Venture Capital funded companies in India, on business strategy, new market entry, product

Board	diversification and leadership.
DIN: 02284165	
Venkata Satya Naga Sreekanth Nadella	IT and ITES industry
Designation: Whole-time Director & CEO	
DIN: 08659728	
Sandeep Achyut Naik	Operations in India and Asia Pacific.
Designation: Non-Executive Nominee Director	
DIN: 02057989	
Shantanu Rastogi	Firm's Financial Services, Technology, Healthcare, and Consumer sectors in the India & Asia-Pacific region
Designation: Non-Executive Nominee Director	
DIN: 06732021	
Srinivas Peddada	IT applications and infrastructure to provide strategic support and advice to the firm's investment teams and portfolio companies in the Technology sector in India & Southeast Asia
Designation: Additional Director	
DIN: 08755240	
Kaushik Mazumdar	Operations, technology and infrastructure verticals
Designation: Independent Director	
DIN: 00397815	
Sonu Halan Bhasin	Financial and non-financial sectors in India and overseas
Designation: Independent Director	
DIN: 02872234	
Prashant Saran	Regulatory and other functions.
Designation: Independent Director	
DIN: 08747512	

BOARD EVALUATION

The Board evaluation framework has been designed in compliance with the requirements under the Act and in consonance with Guidance Note on Board Evaluation issued by SEBI in January 2017. During the year, the Board carried out an annual evaluation of its own performance, board's committees and individual directors pursuant to the provisions of the Act. Based on the recommendation of the NRC, the Board laid down the criteria for evaluation. This exercise was carried out through a structured questionnaire prepared separately for the Board, Committees, Chairperson of the Board and individual Directors. The questionnaires were uploaded at the online tool for the Board members to carry out the Evaluation for the financial year ending March 31, 2021.

The outcome of evaluation process forms part of the Board's report.

REMUNERATION POLICY FOR BOARD AND SENIOR MANAGEMENT

The Board has approved the Remuneration Policy for Directors, Key Managerial Personnel ('KMP') and all other employees of the Company. The same is available on our website at <https://www.kfintech.com/disclosures/>

Details of remuneration for Directors for FY 2020-21 is provided in Table B below.

Name	Basic	Fixed Salary Perquisite / Allowance	Total Fixed Salary	Commission	Sitting Fees	Total
				Bonus		Compensation
Non Executive and Independent Directors						
Mr. Prashant Saran	-	-	-	18,75,000		18,75,000
Ms. Sonu Halan Bhasi	-	-	-	22,50,000		22,50,000
Mr. Kaushik Mazumdar	-	-	-	25,50,000		25,50,000
Executive Director						
Mr. Venkata Satya Naga Sreekanth Nadella *	-	-	1,81,11,705	-	-	1,81,11,705
Non Executive and Nominee Director						
Mr. M. V. Nair Mr. Sandeep Achyut Naik	-	-	-	-	-	-
Mr. Shantanu Rastogi	-	-	-	-	-	-
Mr. Srinivas Peddada**	-	-	-	-	-	-

* During the year under review, Mr. Sreekanth Nadella was granted 2,23,728 ESOP options under scheme A; 1,67,796 ESOP options under scheme B and 1,67,796 ESOP options under scheme C

* During the year under review, Mr. Srinivas Peddada was granted 1,38,879 ESOP options under scheme A; 1,04,159 ESOP options under scheme B and 1,04,159 ESOP options under scheme C

BOARD MEETINGS

All agenda papers for the Board and Committee meetings are disseminated electronically on a real-time basis, by uploading them on a secured online application. The Board meets at least once a quarter to review the quarterly financial results and other items on the agenda. Additional meetings are held, as and when necessary. Committees of the Board meet before the Board Meeting or whenever the need arises for transacting the business. The recommendations of the Committees are placed before the Board for necessary approval and/or noting, as the case may be.

During FY 2020-21, Nine (9) Board Meetings were held on April 03, 2020, June 02, 2020, June 12, 2020, August 19, 2020, September 09, 2020, October 22, 2020, November 06, 2020, November 26, 2020 and March 05, 2021. The gap between any two consecutive

Board Meetings during this period did not exceed one hundred and twenty days. The necessary quorum was present at all the meetings.

Table C: Attendance details of Directors for the year ended March 31, 2021 are given below:

Name of the Director	Category	No. of Board Meetings held during the tenure	No. of Board Meetings Attended
Mr. M. V. Nair	NED and Chairman of the Board	9	8
Mr. Venkata Satya Naga Sreekanth Nadella	WTD & CEO	7*	6
Mr. Sandeep Achyut Naik	NED	9	9
Mr. Shantanu Rastogi	NED	9	9
Mr. Srinivas Peddada	Additional Director	6	6
Mr. Prashant Saran	ID	8	8
Ms. Sonu Halan Bhasin	ID	9	9
Mr. Kaushik Mazumdar	ID	9	9
Mr. Vishesh Tayal**	Additional NED	3	3
Mr. V Ganesh***	MD & CEO	3	3

* Appointed as Whole time Director & CEO on June 12, 2020

** Resigned w.e.f. July 01, 2020

*** Resigned w.e.f. June 12, 2020

MEETING OF THE INDEPENDENT DIRECTORS

Pursuant to the provisions of Section 149(8) read with Schedule IV of the Act, a meeting of the Independent Directors was held on March 25, 2021 without the presence of Non-Independent Directors and Members of the Management to evaluate the performance of all Directors, the Chairman and the Board as a whole and its Committees.

BOARD COMMITTEES

There are Five (5) Committees of the Board as on March 31, 2021. The details of the Committees of the Board are given below.

Audit Committee

The primary object of the Audit Committee is to assist the Board of Directors ("Board") in the effective discharge of its responsibilities for corporate governance, financial reporting, internal control and risk management system including risk parameters. In the discharge of its functions, the Committee shall exercise the powers and responsibilities vested on it under the Act, any re-enactment thereof, Securities and Exchange Board of India ("SEBI") Regulations or any other applicable statutory provisions.

The Company Secretary acts as the Secretary to the Committee. The Committee also to assist the Board in fulfilling its corporate governance and overseeing responsibilities in relation to Company's financial reporting, internal control system and risk management system including the risk parameters, recommends to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees, reviews with the management, of the annual financial statements before submission to the Board for approval, etc.

The Audit Committee was constituted by a meeting of the Board held on February 5, 2019 and was last reconstituted by the Board through Resolution by Circulation (CR- 26 for 2020/2021) dated December 5, 2020. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act and Terms of Reference ("the Charter").

During FY 2020-21, the Committee met Six (6) times June 02, 2020, September 07, 2020, October 22, 2020, November 03, 2020, November 26, 2020 and March 02, 2021.

The requisite quorum was present at all the meetings. All decisions at the Audit Committee meetings were taken unanimously.

Table D: The composition of the Committee and the attendance details of the Members for the year ended March 31, 2021 are given below:

Name of the Director	Category	No. of meetings held during the tenure	No. of Meetings Attended
Mr. Kaushik Mazumdar (Chairperson)	ID	6	6
Ms. Sonu Halan Bhasin	ID	6	6
Mr. Prashant Saran	ID	5	5
Mr. Shantanu Rastogi*	NED	5	5
Mr. Vishesh Tayal**	Additional NED	1	1

*Appointed as committee member w.e.f. July 02, 2020

**Resigned from the Audit Committee w.e.f. July 01, 2020

Mr. Kaushik Mazumdar, Chairperson of the Audit Committee was present at the last AGM of the Company held on July 06, 2020.

Nomination and Remuneration Committee

The purpose of the Nomination and Remuneration Committee ('Committee') is to assist the Board of Directors ("Board") in designing compensation policies, including terms of appointment and tenure, for the directors, key managerial personnel and senior management of the Company that will reward their performances and also retain talented people.

The Committee also recommend to the Board a policy, relating to the appointment, tenure and remuneration for the directors, key managerial personnel and other employees, fixes suitable remuneration package of all the Executive and Non-Executive Directors, Key Managerial Personnel and Senior Employees and officers i.e. salary, perquisites, bonuses, stock options, pensions etc., determine fixed component and performance linked incentives along with the performance criteria for all senior employees of the Company, decide on the Service Contracts, Notice Period, Severance Fees of Directors, Key Managerial Personnel and senior employees of the Company, design an effective Employees Stock Option Scheme that covers the grant, vesting and the exercise of the options, specify the manner for effective evaluation of performance of Board, its Committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance, etc.

The Remuneration Policy is available on our website at <https://www.kfintech.com/disclosures/>

The Committee was originally constituted as the by a meeting of the Board held on February 5, 2019. The committee was last reconstituted by the Board through Resolution by Circulation (CR- 26 for 2020/2021) dated December 5, 2020. The scope and function of the Committee is in accordance with Section 178 of the Act and Terms of Reference (“the Charter”).

During FY2020-21 the Committee met Six (6) times on June 02, 2020, June 12, 2020 August 19, 2020, September 08, 2020, November 04, 2020 and March 03, 2021. The requisite quorum was present at all the meetings.

Table E: The composition of the Committee and the attendance details of the Members for the year ended March 31, 2021 are given below:

Name of the Director	Category	No. of meetings held during the tenure	No. of Meetings Attended
Ms. Sonu Halan Bhasin (Chairperson)	ID	6	6
Mr. Kaushik Mazumdar	ID	6	6
Mr. Sandeep Achyut Naik	NED	6	6

Ms. Sonu Halan Bhasin, Chairperson of the Committee was present at the last AGM of the Company held on July 06, 2020.

Performance evaluation criteria for independent directors

Based on the recommendation of the NRC, the Board laid down the criteria for evaluation. The criteria for evaluation of performance of Independent Directors includes participation at Board/ Committee Meetings, managing relationship, knowledge and skill, personal attributes, etc.

Corporate Social Responsibility Committee

The purpose of the Corporate Social Responsibility (‘CSR’) Committee (‘Committee’) is to

assist the Board of Directors (“Board”) in formulating and monitoring Corporate Social Responsibility Policy (CSR Policy) and to recommend the amount of CSR expenditure to be incurred on the activities as per focus areas identified under the CSR Policy. In the discharge of its functions, the Committee shall exercise the powers and responsibilities vested on it under the Act, any re-enactment thereof, rules made thereunder or any other applicable statutory provisions.

The Committee also formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII of the Act; recommend the amount of CSR expenditure to be incurred on the activities, monitor the CSR Policy of the company from time to time including monitoring the progress of projects or programmes against which CSR expenditure is contributed, ensure that the activities as are included in CSR Policy of the company are undertaken by the Company, etc.

The CSR Committee was originally constituted as the by a meeting of the Board held on February 5, 2019. The committee was last reconstituted by the Board through Resolution by Circulation (CR- 26 for 2020/2021) dated December 5, 2020. The scope and function of the CSR Committee is in accordance with Section 135 of the Act and Terms of Reference (“the Charter”).

The CSR Policy is available on our website at <https://www.kfintech.com/disclosures/>

During FY 2020-21, Four (4) Meetings of the Committee were held on June 02, 2020, September 08, 2020, November 04, 2020 and March 03, 2021. The necessary quorum was present at the meetings.

Table F: The composition of the Committee and the attendance details of the Members for the year ended March 31, 2021 are given below:

Name of the Director	Category	No. of meetings held during the tenure	No. of Meetings Attended
Ms. Sonu Halan Bhasin (Chairperson)	ID	4	4
Mr. Prashant Saran*	ID	3	3
Mr. Sandeep Achyut Naik	NED	4	4
Mr. V. Ganesh**	MD & CEO	1	1

*Appointed as committee member w.e.f. July 02, 2020

**Resigned from the CSR Committee w.e.f. June 12, 2020

Ms. Sonu Halan Bhasin, Chairperson of the Committee was present at the last AGM of the Company held on July 06, 2020.

IT Strategy Committee

The purpose of IT Strategy Committee (IT&SC) is to provide insight and advice to the Board of Directors (“Board”) in various areas that may include developments in IT and alignments

with the same from investor services perspective, scalability of operations, etc. In the discharge of its functions, the IT&SC shall exercise the powers and responsibilities vested on it under Securities and Exchange Board of India (“SEBI”) Regulations or any other applicable statutory provisions.

The IT&SC also provide insight and advice to the Board in various areas on developments in IT, alignments with the same from investor services perspective, scalability of operations, etc., review Fintech blueprint, IT partners strategy, competitive strategy / positioning and IT annual plan and goals, SAAS, API, forward and backward integration and platform strategy and pricing, for both domestic and international markets, monitor to ensure that, at all times, the Company maintain adequate technical capacity to process twice the peak transaction load encountered during past six months, monitor to ensure implementation of Data Access and Data Protection Policy as per SEBI requirement, etc.

The IT&SC has been constituted on February 5, 2019 as per SEBI circular-SEBI/HO/MIRSD/DoP/CIR/P/2018/119 dated August 10, 2018 on Enhanced monitoring of Qualified Registrars and Transfer Agents and was last reconstituted by the Board through Resolution by Circulation (CR- 26 for 2020/2021) dated December 5, 2020. The scope and function of the IT&SC is in accordance with Terms of Reference (“the Charter”).

During FY2020-21, Five (5) Meetings of the IT&SC were held on April 24, 2020, June 02, 2020, September 07, 2020, November 03, 2020 and March 02, 2021. The requisite quorum was present at the meeting.

Table G: The composition of the Committee and the attendance details of the Members for the year ended March 31, 2021 are given below:

Name of the Member	Category	No. of meetings held during the tenure	No. of Meetings Attended
Mr. Srinivas Peddada (Chairperson)*	Additional Director	3	3
Mr. Venkata Satya Naga Sreekanth Nadella**	WTD & CEO	3	3
Mr. Kaushik Mazumdar	ID	5	5
Mr. Shantanu Rastogi***	NED	4	4
Mr. Vishesh Tayal****	Additional NED	2	2

* Mr. Srinivas Peddada was appointed as a member of IT&SC w.e.f. July 02, 2020 and has been appointed as the Chairperson of the Committee in place of Mr. Shantanu Rastogi by the Board vide their Resolution by Circulation (CR- 26 for 2020/2021) dated December 5, 2020.

** Appointed as the committee member w.e.f. July 02, 2020

*** Resigned from the committee w.e.f. December 05, 2020

**** resigned from the Committee w.e.f. July 02, 2020

Business Development & Strategy Committee

The purpose of the Business Development & Strategy Committee (‘BD&SC’) is to review and oversee the business development and implementation of the Company’s growth strategies

and make recommendations to the Board with respect to potential acquisition, joint venture or divestment opportunities for which the Board's approval is required.

The 'BD&SC' also review and oversee the business development and implementation of the Company's organic & inorganic growth strategies, review and make recommendations to the Board with respect to potential investment, acquisition, joint venture, mergers or divestment strategies of the Company, analyse the principal trends in relation to the Company's activities and communicate relevant information to the Board of Directors, develop and update the Company's customer pricing framework, ensure that the pricing framework adequately contributes to the long-term financial viability and profitability of the Company and evaluate all proposals for material changes in the contractual or commercial terms for the existing customers, etc.

The BD&SC was originally constituted as the by a meeting of the Board held on February 5, 2019. The committee was last reconstituted by the Board through Resolution by Circulation (CR- 26 for 2020/2021) dated December 5, 2020. The scope and function of the BD&SC is in accordance with Terms of Reference ("the Charter").

During FY 2020-21, Four (4) Meetings of the Committee were held on June 02, 2020, September 08, 2020, November 03, 2020 and March 02, 2021. The necessary quorum was present at the meetings.

Table H: The composition of the Committee and the attendance details of the Members for the year ended March 31, 2021 are given below:

Name of the Member	Category	No. of meetings held during the tenure	No. of Meetings Attended
Mr. Shantanu Rastogi (Chairperson)	NED	4	4
Mr. Srinivas Peddada*	Additional Director	1	1
Mr. Vishwanathan Mavila Nair	NED	4	4
Mr. Venkata Satya Naga Sreekanth Nadella**	WTD & CEO	3	3
Mr. Vishesh Tayal	Additional NED	1	1

* Appointed as the committee member w.e.f. December 05, 2020

** Appointed as the committee member w.e.f. July 02, 2020

*** Resigned from the committee w.e.f. July 02, 2020

Mr. Shantanu Rastogi, Chairperson of the Committee was present at the last AGM of the Company held on July 06, 2020.

Sub-committee for Operational Risk and Compliance

During the year under review, in view of the renewed compliance focus in the company and the increased volume of transaction in the company, the Audit Committee has constituted its sub-committee namely "Sub-committee for Operational Risk and Compliance" for further institutionalizing risk and compliance management across business lines and organisational

functions of the company. The purpose of this Sub-Committee is to assist the Audit Committee in fulfilling its oversight responsibility with respect to the Company’s operational risk management and compliance management.

The sub-Committee also to identify the key operational risks that could affect the ability of the Company to achieve its strategies, establish an Operational Risk Management Program to identify, measure, monitor and report on the operational risks that Company faces, establish a operational Compliance mechanism that seeks to ensure the Company’s compliance with applicable laws, rules and regulations governing its business, review and approve the Compliance Risk Management Program, which establishes the framework and requirements to manage compliance risk for the Company, review with management progress and results of key operational risk and compliance management projects, oversee management’s efforts to manage operational risks through effective governance and management leadership structures and evaluate senior executives’ performance as it relates to operational risk and compliance efforts, etc.

The sub-committee was originally constituted by the Board through Resolution by Circulation (CR- 26 for 2020/2021) dated December 5, 2020. The scope and function of the sub-committee is in accordance with Terms of Reference (“the Charter”).

During FY 2020-21, One (1) Meeting of the sub-committee was held on February 25, 2021. The necessary quorum was present at the meetings.

Table I: The composition of the sub-committee and the attendance details of the Members for the year ended March 31, 2021 are given below:

Name of the Member	Category	No. of meetings held during the tenure	No. of Meetings Attended
Mr. Prashant Saran (Chairperson)	ID	1	1
Mr. Lakshminarayanan Kalyanam	Chief Operating Officer	1	1
Mr. V Uma Mahesh	GM & Head – Internal Audit	1	1
Mr. Srinivas Yadav Karri	Chief Information Security Officer	1	1
Mr. P M Parameswaran	General Manager - Operations	1	1
Mr. Vivek Narayan Mathur	Chief Financial Officer	1	1

GENERAL INFORMATION FOR SHAREHOLDERS

Corporate Identity Number (CIN) of the Company: The CIN of the Company is U72400TG2017PTC117649.

Disclosures regarding the regularisation of Directors

In terms of the section 160 and 152 the Act, Mr. Srinivas Peddada (DIN: 08755240) who was appointed as additional Director is eligible to appoint as Non-executive Nominee Director at the ensuing AGM.

Means of Communication

Steps taken by the Company for timely sharing and disclosure of relevant and reliable information on the Company's performance is as follows:

- **Financial Results**

The Company publishes the half-yearly and annual financial results of the Company in Business Standard (English edition). The results are promptly disseminated to BSE Limited ('BSE') for display on their website as well as uploaded on the website of the Company at <https://www.kfintech.com/disclosures/> immediately after the Board Meetings.

- **Annual Report**

The Annual Report containing, inter-alia, Audited Annual Accounts, Consolidated Financial Statements, Board's Report, Management Discussion and Analysis and other regulatory reports is circulated to the Members and others entitled thereto. The Annual Reports for financial year 2020-21 shall be available on the website of the Company at <https://www.kfintech.com/disclosures/>

- **Disclosures to Stock Exchanges**

All submissions to the Stock Exchange are made through the respective electronic online filing systems.

- **Website**

The Company's website provides details on its leadership, management, policies and codes, corporate social responsibility, shareholder relations, products and processes and updates and news.

Details of Show Cause Notices received

During the year, the Company has not received any Show Cause Notices from SEBI.

Details of Non-Compliance

There have been no instances of non-compliance by the Company nor have any penalties or strictures been imposed on the Company by the Stock Exchange or SEBI on any matter related to capital markets during the financial year 2020-21.

Certificates from Practicing Company Secretaries

As required by Regulation 34(3) and Schedule V Part E of the SEBI Listing Regulations, the certificate given by M/s D V Rao & Associates, Practicing Company Secretaries, is annexed to this report.

As required under Clause 10(i) of Part C under Schedule V of the SEBI Listing Regulations, the Company has received a certificate from M/s D V Rao & Associates, Practicing Company Secretaries, certifying that none of our Directors have been debarred or disqualified from being appointed or continuing as Directors of the Company by SEBI or MCA or such other statutory authority.

CEO and CFO certification

As required under Regulation 17(8) read with Schedule II Part B of the SEBI Listing Regulations, the Chief Executive Officer and Chief Financial Officer have given certifications to the Board of Directors.

A declaration signed by the chief executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management is annexed to this report.

Related Party Transactions

All transactions entered into with related parties as defined under the Act and Accounting standard and IND-AS 24 during the year under review were on an arm's length price basis and in the ordinary course of business. These have been approved by the Audit Committee. The Company has not entered into any materially significant related party transaction that may have potential conflict with the interests of the Company at large. The Board of Directors have approved and adopted a Policy on Related Party Transactions and the same is updated from time to time basis amendments in the regulatory provisions. The Policy is available on the Company's web link at <https://www.kfintech.com/wp-content/uploads/2021/03/Policy-on-Related-Party-Transactions.pdf>

During the FY 2020-21, the Company did not have any material pecuniary relationship or transactions with Non-Executive Directors apart from paying Director's remuneration. Further, the Directors have not entered into any contracts with the Company or its subsidiaries, which will be in material conflict with the interests of the Company.

The Board has obtained necessary disclosures from Directors and KMPs relating to material, financial and commercial transactions where they and/or their relatives have personal interest, if any.

Subsidiary Companies

The details of subsidiaries of the Company forms part of Board's Report.

Policy for Determining Material Subsidiaries

Vigil Mechanism

The Company has adopted a Whistle-blower Policy (Vigil Mechanism) as a channel for receiving and redressing complaints from employees and Directors, as per the provisions of Section 177(9) and (10) of the Act. Under this policy, the Company encourages its employees to report any reporting of fraudulent financial or other information to the stakeholders, and any conduct that results in violation of the Company's code of conduct, to the management (on an anonymous basis, if employees so desire). Further, the Company has prohibited discrimination, retaliation or harassment of any kind against any employees who, based on the employee's reasonable belief that such conduct or practice have occurred or are occurring, reports that information or participates in the investigation. The Policy is appropriately communicated within the Company across all levels.

The Whistle Blower Policy is available on our website at <https://www.kfintech.com/disclosures/>

The details of the Vigil Mechanism are given in the Board's Report.

Employees Stock Option Plan (ESOP)

The details of ESOP of the Company forms part of Board's Report.

Disclosures in relation to Sexual Harassment at Workplace

The disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are given as under:

- a. Number of complaints filed during the financial year – Nil
- b. Number of complaints disposed of during the financial year – Nil
- c. Number of complaints pending as on end of the financial year – Nil

Consolidated Fees paid to Statutory Auditors

During the Financial Year 2020-21, the total fees for all services paid by the Company to M/s B S R & Associates LLP (Firm Registration Number: 116231W/W-100024), Statutory Auditors of the Company is as under:

Table J: Consolidated fees paid to statutory auditors:

	(Rs. In Lakhs)
Statutory Audit Fee	27.00
Reimbursement of Expenses	1.00
Limited Review	4.00
Certification	2.00
Other Services	9.00
Total	43.00

GENERAL BODY MEETINGS

Table K: Location and time for the last three Annual General Meetings (AGMs):

Particulars	FY 2019-20	FY 2018-19	FY 2017-18
Day, Date, Time & Venue	Monday, July 06, 2020 at 11:00 A.M. through Audio-Video Conferencing (“VC”) or other Audio Visual Means (“OAVM”)	Tuesday, July 02, 2019 at 3:00 PM at Karvy Selenium, Tower B, Plot No.31 & 32 Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana- 500032	Thursday, September 27, 2018 at Karvy Selenium, Tower B, Plot No.31 & 32 Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana- 500032
Special Resolutions passed	Nil	1. Payment of commission to Mr. Kaushik Mazumdar, Independent Director of the Company. 2. Payment of commission to Ms. Sonu Halen Bhasin, Independent Director of the Company.	Nil

Table L: Location and time for the last three Extraordinary Meetings (EGMs):

Particulars	FY 2020-21	FY 2019-20
Day, Date, Time & Venue	1. Friday, April 03, 2020 at 4:00 P.M. at D.No.8-2-93/82/A /648, Plot No 648, Road No 34, Jubilee Hills, Hyderabad – 500033	1. Wednesday, July 31, 2019 at 3:00 PM at Karvy Selenium, Tower B, Plot No.31 & 32 Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana- 500032
	1. Tuesday, October 20, 2020 at 11:00 A.M. through Audio-Video Conferencing (“VC”) or other Audio Visual Means (“OAVM”)	2. Wednesday, September 30, 2019 at 11:00 AM at Karvy Selenium, Tower B, Plot No.31 & 32 Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana- 500032
		3. Saturday, 30 th November, 2019 at 11: 00 AM at Karvy Selenium, Tower B, Plot No.31 & 32 Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana- 500032

Special Resolutions passed	<u>For April 03, 2020</u>	<u>For July 31, 2019</u>
	Alteration of Articles of Association of the Company	Approval of Employee Stock option plan (ESOP) for the employees of the Company and group
	Alteration of Memorandum of Association of the Company	<u>For September 30, 2019</u>
		Approval for buy back of equity shares
	<u>For October 20, 2020</u>	<u>For November 30, 2019</u>
	To consider and approve the extinguishment/reduction/cancellation of 25,00,000 units (twenty five lakh only) from the share pool of ESOP Plan and to rename the ESOP Plan and respective ESOP Schemes	Authorisation for change in the name of the Company

EGMs FY 2019-20

1. Friday, August 17, 2018 at 4:00 PM at Plot No. 31/P, Karvy millennium, Nanakramguda, Gachibowli, Hyderabad, Telangana- 500032

Special Resolutions passed –

Alteration of Memorandum of Association of the Company

2. Monday, October 15, 2018 at 4:00 PM at Karvy Selenium, Tower B, Plot No.31 & 32 Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana-500032

Special Resolutions passed –

- Private placement of non-convertible debentures
 - Increase in authorized share capital of the Company
3. Tuesday, November 06, 2018 at 5:15 PM at Karvy Selenium, Tower B, Plot No.31 & 32 Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana-500032

Special Resolutions passed –

- Approval for issuance and allotment of equity shares of the Company on preferential cum private placement basis
4. Friday, November 16, 2018 at 05:00 PM at Karvy Selenium, Tower B, Plot No.31 & 32 Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana-500032

Special Resolutions passed –

Adoption of amended and re-stated Articles of Association of the Company

5. Thursday, March 07, 2019 at 04:00 PM at Karvy Selenium, Tower B, Plot No.31 & 32 Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana-500032

Special Resolutions passed –

Approval for the appointment of BSR & Associates LLP, Statutory Auditors of the Company

Table M: Annual General Meeting 2021

Day and Date:	Thursday, September 30, 2021
Time:	10:00 a.m.
Venue:	Annual General Meeting will be held through Video Conferencing / Other Audio Visual Means as set out in the Notice convening the Annual General Meeting. Deemed venue of the Meeting is the registered office of the company i.e. Selenium, Tower B, Plot No.31 & 32 Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana- 500032
Financial Year	April 01, 2020 to March 31, 2021
Dates of Book Closure	NA

Designated e-mail id for investor services

To serve the investors better the Company has a dedicated e-mail address for investor complaints: compliance.corp@kfintech.com which is continuously monitored by the Company's Chief Compliance Officer.

Compliance with discretionary requirements

All mandatory requirements of the SEBI Listing Regulations have been complied with by the Company. The status of compliance with the discretionary requirements, as stated under Part E of Schedule II to the SEBI Listing Regulations, is as under:

The Board: As on date, the positions of the Chairman and the Managing Director/Whole Time Director are separate. Mr. Vishwanathan Mavila Nair is Non- Executive Chairman of the Board and Mr. Venkata Satya Naga Sreekanth Nadella is the Whole-time Director of the Company.

Modified opinion(s) in Audit Report: The Auditors have expressed an unmodified opinion in their report on the financial statements of the Company.

Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee and submits quarterly presentations to the Committee on their reports.

Table N: Distribution of shareholding of Company's Shareholders as on March 31, 2021:

Category	Category of shareholder	Nos. of shareholders	Shareholding as a % of total no. of shares	Free Shares	Block Shares	NDU Shares	No. of fully paid-up equity shares held
(A)	Promoter & Promoter Group	1	83.25%	4,86,50,172	Nil	7,69,30,228	12,55,80,400
(B)	Public Non	5	16.75%	1608533	1608533	2204617	25263183
(C)	Promoter - Non Public	Nil	Nil	Nil	3	7	Nil
(C1)	Underlying DRs	Nil	Nil	Nil	Nil	Nil	Nil
(C2)	Shares Held By Employee Trust	Nil	Nil	Nil	Nil	Nil	Nil
Total		6	100%	5,02,58,675	16,08,503	9,89,76,405	150843583

Shares held in Electronic Form

Shareholders holding shares in electronic form may please note that instructions regarding change of address, bank details, email ids, nomination and power of attorney should be given directly to the DP.

Table O: Details of ISIN as on 31.03.2021

Stock Exchanges	ISIN	Type of Security	Stock/Script Code
NA	INE138Y01010	Equity	NA
BSE Limited ('BSE') Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001, Maharashtra, India	INE138Y07017	Rated, Listed, redeemable Non convertible debentures	958387

Secretarial Audit

The Company's Board of Directors appointed M/s. D V Rao & Associates, Practising Company Secretaries, to conduct secretarial audit of its records and documents for the Financial Year 2020-21.

The secretarial audit report confirms that the Company has complied with the Act and the rules made thereunder, the Securities Contracts (Regulation) Act, 1956 and the rules made thereunder, Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, the Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 and other applicable laws including PFRDA Act and regulations framed thereunder, etc. for the financial year ended March 31, 2021. The Secretarial Audit Report forms part of the Board's Report.

Contribution to the 'Go-green' initiative

In its commitment to help the environment, during the year, your company has taken all necessary steps to reduce the usage of paper in the office. Your company, in many areas, has made necessary changes in the existing processes to move further towards a paperless work environment.

Credit Rating:

Your Company has obtained credit rating from ICRA Limited for its Non-Convertible Debentures, which are as under:

Rated, Listed, Redeemable, Non-convertible Debentures-[ICRA] AA-.

ADDRESS FOR CORRESPONDENCE:

Registered Office : Selenium, Tower B, Plot No.31 & 32, Financial District,
Nanakramguda, Serilingampally, Hyderabad, Telangana- 500032

Website : <https://www.kfintech.com/>

E-mail : compliance.corp@kfintech.com

Registrar and Share Transfer Agents (In-house):

Name : Kfin Technologies Private Limited

Address : Selenium, Tower B, Plot No.31 & 32, Financial District, Nanakramguda,
Serilingampally, Hyderabad, Telangana- 500032

Investor grievance e-mail : compliance.corp@kfintech.com

Website : <https://www.kfintech.com/>

DETAILS OF CORPORATE POLICIES/ CODES

The corporate policies/codes are uploaded on the website of the company at <https://www.kfintech.com/disclosures/>

On behalf of the Board of Directors

Vishwanathan Mavila Nair
Chairman of the Board
DIN: 02284165

Place: Hyderabad
Date: September 06, 2021