



Sammaan Capital Limited

(Formerly known as Indiabulls Housing Finance Limited)

POLICY ON APPOINTMENT OF STATUTORY AUDITORS

(Reviewed and Approved by the Board in its meeting held on dated 14.11.2023)

POLICY ON APPOINTMENT OF STATUTORY AUDITORS

The Reserve Bank of India (RBI) on April 27, 2021 had issued guidelines to Commercial Banks (excluding Regional Rural Banks), Primary (Urban) Co-operative Banks (UCBs) and Non-Banking Financial Companies (NBFCs) (including Housing Finance Companies (HFCs)) (“RBI Guidelines”) for appointment / re-appointment of Statutory Central Auditors / Statutory Auditors (“SCA/SA”) which are presently applicable with immediate effect. However, NBFCs (including HFCs) have been given the flexibility to follow the guidelines from the second half of financial year 2021-22.

In terms of the RBI guidelines, this Policy on Appointment of Statutory Auditors (“the Policy”) has been approved by the Audit Committee of the Company at its meeting held on March, 20, 2023.

The objective of this Policy is to provide a framework and set standards for the appointment of Statutory Auditors who fulfil the eligibility criteria and other conditions prescribed under RBI Guidelines and applicable laws.

Criteria for Appointment of Statutory Auditors:

The audit firm(s) proposed to be appointed as the Statutory Auditors of the Company shall comply with the eligibility criteria and independence as mentioned in the RBI Guidelines as well as those mentioned under Section 141 of the Companies Act, 2013 and rules made thereunder, including the maximum number of entities, permitted from its appointment as Statutory Auditors. In case, it has provided any non-audit work for the Company or its subsidiaries, it can be appointed as Statutory Auditors after a gap of one year from completion on such work.

Manner / Process to be followed for appointing Statutory Auditors:

While appointing the Statutory Auditors, the Audit Committee shall take into account the relevant RBI guidelines. In accordance with the RBI Guidelines, it has been decided that the Company will appoint 2 (two) auditors to conduct a joint audit as mandated under the RBI Guidelines.

In compliance with RBI Guidelines, the Company shall obtain a certificate, from the audit firm(s) proposed to be appointed as the Statutory Auditors to the effect that the audit firm(s) complies with all the eligibility norms prescribed by RBI for the said purpose and . The Company shall also obtain a certificate under Section 141 of the Companies Act, 2013 and rules made thereunder.

The Board on the recommendation of Audit Committee shall appoint the auditors for a continuous term of up to three years, subject to the firms satisfying the eligibility norms each year. The said appointment will also be subject to approval of the Shareholders of the Company.

The audit firm(s) would be eligible for re-appointment after a cooling off period of six years after completion of full or part of one term of the audit tenure. The proposed audit firm shall not be

eligible for appointment if such audit firm is associated with the outgoing auditor or audit firm under the same network of audit firms.

Audit Fees:

The Audit Committee, after ensuring that Audit fees and other expenses are reasonable and commensurate with the scope and coverage of audit, shall decide and recommend the audit fees to the Board in accordance with the relevant statutory/regulatory provisions. The same shall also be subject to the approval of the Shareholders of the Company.

Reporting Requirements:

The Company will inform RBI / NHB about the appointment of the Statutory Auditors, as prescribed in the RBI Guidelines within one month of such appointment. An intimation will also be made to the Ministry of Corporate Affairs as required under the provisions of the Companies Act, 2013 and rules made thereunder.

Removal Process for Statutory Auditors:

In the event of removal of Statutory Auditors before completion of their tenure, the same shall be in accordance with the relevant provisions of the Companies Act, 2013 and rules made thereunder.

Further, intimation shall be given to RBI / NHB about the removal of Statutory Auditors, along with reasons/justification for the same, within a month of such a decision being taken.

Policy Review:

This Policy may be amended, modified or supplemented from time to time to ensure compliance with any modification, amendment or supplementation to RBI Guidelines or the Companies Act, 2013 or as may be otherwise prescribed by the Audit Committee/Board from time to time. The Policy shall be placed on the website of the Company.