

NOMINATION AND REMUNERATION COMMITTEE CHARTER

1. PURPOSE

The purpose of this Nomination and Remuneration Committee is to ensure an appropriate and effective role for the Board of Directors acting on behalf of the Shareholders in the governance of the Company. This is accomplished principally by developing and implementing the Company's Corporate Governance Guidelines, policies, and identifying qualified individuals to become Board members, determining the composition of the Board and its committees.

If any decision is required to be taken by a Subsidiary (as defined in the Companies Act, 2013) on a matter which, if in accordance with this charter, the Nomination and Remuneration Committee was required to address had such matter arisen in the Company, then this Nomination and Remuneration Committee shall be responsible for administering a decision on the relevant matter for the Subsidiary(ies).

2. STRUCTURE & MEMBERSHIP

2.1 Compensation /Sitting Fee:

No sitting fee shall be paid to any members of the Nomination and Remuneration Committee for attending the meeting. However, sitting fee can be paid when approved by the Board of Directors of the Company.

2.2 Number of Meetings:

The Nomination and Remuneration Committee shall meet physically at least once a year. However based on the requirement the Nomination and Remuneration Committee may meet as and when required.

2.3 Quorum:

Subject to the relevant Article of the Articles of Association of the Company, any one director nominated by the Promoter and any one director nominated jointly by all the Investors, present either personally or through tele-conference shall constitute the quorum.

2.4 Selection and Removal of members:

The Nomination and Remuneration Committee shall consist of one Director nominated by the Promoter, one Director nominated jointly by all the Investors (as defined in the Articles of Association of the Company) and two Independent Directors mutually agreed to by the Promoter and the Investors. An Independent Director shall chair the Nomination and Remuneration Committee. In the event an Independent Director is not present at a meeting, the attendees may nominate any one of the members amongst themselves to chair the meeting. The composition of

the Nomination and Remuneration Committee may be reconstituted in accordance with applicable laws, subject to the presence of at least one Director nominated by the Promoter, one Director nominated by all the Investors and two Independent Directors. Each Investor having a Board seat may nominate for appointment an observer if it does not have a nominee at the Nomination and Remuneration Committee. The observer shall not have any voting right.

3 GOALS & RESPONSIBILITIES

The goals and responsibilities of the Nomination and Remuneration Committee are as follows:

- 3.1 Recommend criteria for determining qualifications, positive attributes and independence for appointing Executive Directors, Independent Directors and Board committees and recommending to the Board suitable candidates for appointment to the Board and Board committees (i.e. Audit Committee, Risk Management Committee, Compensation Committee) in consistence with the “Fit and Proper” Policy for appointment of directors.(as detailed under Para 7 below)
- 3.2 Ensuring that there is an appropriate induction in place for new directors and Key Managerial Personnel.
- 3.3 Carry out evaluation of every director’s performance.
- 3.4 Recommending to the Board names of individuals who may be considered for nomination and appointment as Directors by the Company
- 3.5 Recommending to the Board names of individuals who may be considered for nomination and appointment to the senior management by the Company.
- 3.6 Developing and recommending Board governance policies and practices.
- 3.7 Ensuring adequate training and education for Board members and Key Managerial Personnel.
- 3.8 Developing a succession plan for Board and Key Managerial Personnel and regularly reviewing the plan.
- 3.9 Recommending remuneration/ compensation structure (including the employees stock option plan) of the Board of Directors(including the Executive Director and Independent Directors,
- 3.10 Recommending remuneration/ compensation structure (including the employees stock option plan) of the Key Managerial Personnel and other employees of the company.
- 3.11 Recommending the formation of any new committee of the Board, and suggesting nominations for such committees to the Board.

- 3.12 Delegating any of its powers to one or more of its members or to a separate committee or to any other person.
- 3.13 Recommend changes in Board composition to the Board.
- 3.14 Recommending changes to the Board of Directors of the subsidiaries of the Company as well as to the charters of the respective sub-committees of the relevant Board of Directors of each subsidiary.
- 3.15 Considering any other matters at the request of the Board and such matters as may be required to be considered by law.

Provided that in the case of the Directors other than Independent Directors and Executive Directors, the Nomination and Remuneration Committee shall only advise the Board on whether any person nominated to be Director by any shareholder meets the fit and proper criteria prescribed by any law in force (including as may be related to RBI, SEBI or under the Companies Act, 2013) for the appointment of Directors. Further, nothing in this charter shall apply to nomination of Directors by the Promoter or Investor to any committee, including Key Board Committees in accordance with the charters of those committees.

4. COMMITTEE POWERS

- 4.1 The Nomination and Remuneration Committee shall have the authority to conduct or authorize investigations into any matter within the scope of its responsibilities as it shall deem appropriate.
- 4.2 The Nomination and Remuneration Committee shall have the power to hire, at the Company's expense, such independent counsel or other advisors as it deems necessary for the performance of its responsibilities. In addition, the Nomination and Remuneration Committee shall have the powers to retain or terminate any consultant or advisor engaged at the request of the members of the Nomination and Remuneration Committee. The Nomination and Remuneration Committee shall also have the authority to approve the fees or other compensation, and other retention terms of such consultant or advisor.
- 4.3 Subject to the Articles of Association of the Company, the Nomination and Remuneration Committee shall have the authority to recommend amendments to the Nomination and Remuneration Committee charter when required, and recommend any proposed changes.

5. PROCEEDURE & ADMINISTRATION

- 5.1 The Nomination and Remuneration Committee shall fix its own rules and procedures, which shall be consistent with the Charter Documents of the Company and this charter.

- 5.2 The Chairperson of the Nomination and Remuneration Committee or a majority of the members of the Nomination and Remuneration Committee may also call a special meeting of the Nomination and Remuneration Committee.
- 5.3 The CEO shall be a permanent invitee to each meeting of the Nomination and Remuneration Committee, unless the Nomination and Remuneration Committee decides otherwise for a given meeting. However, the CEO shall have no vote and shall not be counted towards quorum.
- 5.4 All actions of the Nomination and Remuneration Committee that are within its defined scope of actions shall be considered as valid if a majority of the Members of the Nomination and Remuneration Committee agree;
- 5.5 The minutes of every meeting shall be recorded by the company secretary (or in the absence of the company secretary any present member the Nomination and Remuneration Committee may decide amongst themselves), confirmed by circulation before the end of the next calendar month by all members present at the meeting (failing which by the Nomination and Remuneration Committee at its next meeting) and be placed before the Board in the ensuing Board meeting.

6. EVALUATION OF THE COMMITTEE'S PERFORMANCE

The Nomination and Remuneration Committee shall on an annual basis, review its performance under this charter.

The Nomination and Remuneration Committee shall, from time to time, as it deems appropriate review and reassess the adequacy of this charter.

1. "FIT AND PROPER" CRITERIA FOR NOMINATION OF DIRECTORS

- 1.1 The Director should possess adequate qualification, expertise, experience and/or networks that in the opinion of the Nomination and Remuneration Committee is satisfactory.
- 1.2 The Director should be aligned to the mission and core values of the organization.
- 1.3 The Director should have indicated willingness and availability of time required to function in the role.
- 1.4 Any conflict of interest of directors shall be governed by the Conflict of Interest Policy as approved by the Board. .
- 1.5 The appointee must have a general reputation of fairness and integrity not limited to financial integrity, good reputation and character and honesty.

2. DISQUALIFICATIONS FROM APPOINTMENT AS DIRECTORS

The following persons are disqualified from being appointed as directors:

- i) Persons involved in criminal breach of trust, fraud, etc.
- ii) Persons who have been convicted by any Court for any offence involving moral turpitude or any economic offence or any offence against the securities laws;
- iii) Persons who have been declared insolvent and have not been discharged.
- iv) An order restraining, prohibiting or debarring the person from dealing in securities or from accessing the securities market has been passed by any regulatory authority in India or abroad, and a period of three years from the date of the expiry of the period specified in the order has not elapsed.
- v) Persons who have been defaulters in repayment of loans to financial institutions, banks, etc.
- vi) The person has been found to be of unsound mind by a court of competent jurisdiction and such finding is in force.
- vii) Such disqualifications enumerated under Section 164 of the Companies Act, 2013 and the Rules made thereunder as amended from time to time.

The Nomination and Remuneration Committee shall be responsible for identifying and ascertaining the “fit and proper” criteria before appointment of directors.

The Nomination and Remuneration Committee may, for reasons recorded in writing, recommend to the Board the removal of a director, subject to the provisions of applicable laws and regulations.

3. FIT AND PROPER DECLARATION FROM DIRECTORS:

3.1 The Company shall receive necessary/ relevant declarations, undertakings, including the deed of covenants and receive all such information from all the directors in applicable formats based on extant RBI Guidelines and directions.

3.2 The Nomination and Remuneration Committee shall also review the fit and proper criteria as per extant RBI Guidelines of all the directors on a half-yearly basis.

4. POLICY RELATING TO REMUNERATION OF DIRECTORS INCLUDING WHOLE-TIME/ MANAGING DIRECTORS AND KEY MANAGERIAL PERSONNEL

One of the responsibilities of the Nomination and Remuneration Committee is to consider and determine the remuneration structure of directors and key managerial personnel based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract and retain and motivate members of the Board and Key Managerial Personnel.

The Nomination and Remuneration Committee has delegated the following powers pertaining to the remuneration of directors including whole-time/ managing directors and key managerial personnel:

- 4.1 Recommending remuneration of directors including whole-time/ managing directors and key managerial personnel with the prior/ post approval of the shareholders, Central Government wherever required and recommending annual variable compensation/ bonus for directors and key managerial personnel.
- 4.2 Recommend alteration, removal, modification any / all of the existing remuneration / compensation structure and recommend a modified/ alternative remuneration/ compensation structure for the directors.
- 4.3 Recommending long-term incentive plans, employee stock option plans for the managing director of the Company and recommending approval of any changes to the same.

The term “Key Managerial Personnel” shall have the same meaning as defined under the Companies Act, 2013 i.e. “key managerial personnel”, in relation to a company, means—

- (i) the Chief Executive Officer or the managing director or the manager;
- (ii) the company secretary;
- (iii) the whole-time director;
- (iv) the Chief Financial Officer; and
- (v) such other officer as may be prescribed.

The term “**senior management**” shall have the same meaning as defined under Section 178 of the Companies Act, 2013 i.e. personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.