

NOMINATION AND REMUNERATION COMMITTEE POLICY
- INDEL MONEY LIMITED

1. Introduction

Indel Money Limited has always considered its human resource as its prime driving force. The Nomination and Remuneration Policy (“Policy”) of Indel Money Limited (“IML” or “Company”) is formulated under the Companies Act, 2013 (“Act”) and other applicable laws (hereinafter referred to as “Relevant laws”).

Constitution of a Nomination and Remuneration Committee of the Board and formulation of a Nomination and Remuneration Committee Policy has become mandatory under the Companies Act, 2013. Section 178 of the Companies Act, 2013, mandates every listed public company, all public companies with a paid-up share capital of Rs. 10/- crores or more; or all public companies having turnover of Rs. 100/- crore or more; or all public companies which have, in aggregate, outstanding loans, debentures and deposits, exceeding Rs. 50/- crore to constitute Nomination and Remuneration Committee. Accordingly, the Company has formulated this NRC Policy.

2. Objective and Purpose

The objectives and purpose of this policy are :-

- To formulate the criteria for determining qualifications, competencies, positive attributes, and independence for appointment of a director (wholetime/non-executive/independent) of the company.
- To recommend policy relating to the remuneration of the Directors, KMP and Senior Management to the board of directors of the company.

3. Definitions

In this policy, unless the context otherwise requires:

- (1) “**Act**” shall mean the Companies Act, 2013 and includes any statutory amendments, from time to time, and any other statutory enactment thereof.
- (2) “**Board**” shall mean Board of Directors of Indel Money Limited.
- (3) “**Committee**” shall mean the Nomination and Remuneration committee formed by the Board of Directors of the Company.
- (4) “**Company**” shall mean the Indel Money Limited, a Company incorporated under the provisions of the Companies Act, 1956.
- (5) “**NRC**” shall mean Nomination and Remuneration Committee as defined in Section 178 of the Act and rules made thereunder.

- (6) **“Directors”** means members of the board
- (7) **“Key Managerial Personnel”** or **“KMP”** means, (i) Chief Executive Officer or Managing Director or Manager; (ii) The Whole Time Director; (iii) The Chief Financial Officer; (iv) The Company Secretary; and such other officer not more than one level below the directors who is in whole time employment, (v) designated as key managerial personnel of the board or (iv) such other officer as may be prescribed.
- (8) **“Independent Directors”** means a director referred to in Section 149(6) of the Act.
- (9) **“Senior Management”** mean personnel of the company who are members of its core management team excluding the Board comprising all members of management at one level below the whole time director.

4. Nomination and Remuneration Committee

The Board has constituted a committee known as Nomination and Remuneration committee. The Committee should consist of three or more non-executive directors out of which not less than one-half shall be Independent Directors. The Board has absolute power to remove and induct any member into the Committee.

- The members of the Committee should be of not less than 21 years of age.
- The tenure of the members shall be of 05 (five) years initial term. Thereafter, the members may be re-elected for another continuous term, every 05 (five) years.
- The Chairman of the Committee shall be elected by the members of the Committee. The Chairman shall be independent director of the company.
- The company secretary of the company shall act as secretary to the committee.

5. Meeting and quorum

- The meeting of the Committee shall be held at such regular intervals as may be required.
- Minimum of 02 (two) members shall form the quorum.

6. Minutes and resolutions

- (1) Minutes of the proceedings and resolutions of the Committee meetings shall be signed and confirmed by the Chairman. Minutes so signed and confirmed shall be conclusive evidence of such proceedings and resolutions.
- (2) Minutes of all Committee meetings will be open for inspection at any reasonable time on reasonable notice by any member of the Board of Directors of the Company.

- (3) All decisions shall be taken by simple majority. In case of equality of votes on any matter, Chairman shall have a casting vote.
- (4) The Committee can also pass the resolution by circulation
- (5) The records of all meetings and duly signed minutes of Committee meeting shall be maintained by the Company at a place designated by the Committee.

7. Responsibilities of Nomination and Remuneration Committee

1. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down.
2. Recommend to the board their appointment and removal
3. Carry out evaluations of every director's performance
4. Formulate the criteria for determining qualifications, positive attributes and independence of a director
5. Recommend to the board a policy, relating to the remuneration of directors, key managerial personnel and other senior employees.

8. Role of Nomination and Remuneration Committee:

The Nomination and Remuneration Committee shall ensure that –

- (a) the level and composition of remuneration is reasonable and sufficient to attract, return and motivate directors of the quality required to run the company successfully,
- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks,
- (c) remuneration to directors, KMPs and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

9. Appointment criteria and Qualification

The Committee shall identify, ascertain the integrity, qualification, expertise, experience of a person and recommend to the Board for his/her appointment as Director/ KMP/Senior Management Personnel of the Company.

The Director, KMP and Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

The Company should ensure that the person so appointed as Director, KMP and Senior Management Personnel shall not be disqualified under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force

10. Term /Tenure of Appointment

The Term/Tenure of the Director shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder as amended from time to time.

11. Removal

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations or any other reasonable ground, the Committee may recommend to the Board for removal of a Director, KMP and Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

12. Retirement

The Director, KMP and Senior Management personnel of the Company shall be eligible for retirement as per the applicable provisions of the Companies Act 2013 and any prevailing policy of the Company in relation to retirement of employees.

13. Remuneration

The Committee will recommend the remuneration to be paid to the Director, KMP and Senior Management Personnel to the Board for their approval.

Remuneration to Executive Director:

The Remuneration/Compensation/Commission etc. to be paid to Executive Director shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

Non-Executive Independent Directors/Non-Executive Directors:

The Non-Executive Independent Director or non-executive directors may receive remuneration/compensation/commission as per the provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.4

KMP /Senior Management Personnel:

The Remuneration to be paid to KMP/Senior Management Personnel shall be based on the experience, qualification and expertise of the related personnel and governed by the limits, if any prescribed under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

14. Evaluation

The Committee shall carry out evaluation of performance on a yearly basis. The Committee shall monitor and review board evaluation framework, conduct an assessment of the performance of the Board against criteria as determined and approved by the Committee. The performance evaluation of Independent Directors shall be done by entire Board of Directors, excluding the director being evaluated and evaluation of the board as a whole shall be done by the Independent Directors.

Malus / Claw back

The malus arrangement permits the Company to prevent vesting of all or part of the amount of a deferred remuneration / commission / compensation. Malus arrangement does not reverse vesting after it has already occurred. Malus arrangement shall be invoked in case of repeated negligence or dereliction of responsibilities. It is specified that Malus provisions can be applied for vesting of all or part of the future deferred remuneration.

The claw back provision shall be exercised whereby the NRC is empowered to demand the official to return previously paid or vested variable pay to the Company under certain circumstances.

Claw back provisions shall be resorted to by the NRC in the event of misconduct, fraud or willful omissions, if proven, from the side of the official, if any, in the past three years. Claw back provisions shall be invoked for a maximum period of three years from the end of financial year for which the payment was done.

NRC is authorized to approve any subsequent release of any amount withheld as above under malus/claw back arrangements to the official concerned in whole or in part and in one or more instalments, as deemed appropriate.

15. Amendments

This policy can be amended by the Board of Directors on its own or based on the recommendation made by the Nomination and Remuneration Committee from time to time.

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