

# **Nomination and Remuneration policy- WEIFCPL**

**WEST END INVESTMENT & FINANCE CONSULTANCY PRIVATE LIMITED  
(WEIFCPL)**

## **NOMINATION AND REMUNERATION POLICY**

**Approval date:** 21<sup>st</sup> May, 2018

Review Date: 04<sup>th</sup> September, 2023

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## 1. **PREAMBLE**

In accordance with the provisions of the Companies Act, 2013 (“Act”) read with the Rules framed there under and the Securities and master directions/guidelines/circulars/notifications issued by Reserve Bank of India, as amended from time to time (“RBI Guidelines”) (hereinafter referred to as “Applicable Law”), wherever applicable, it is mandatory to lay down a framework in relation to remuneration of Directors, Key Managerial Personnel (KMP) and senior management/officer personnel (SMP).

## 2. **ABOUT THE POLICY**

The Nomination and Remuneration Policy (“Policy”) of the Company is formulated in compliance with Applicable Law. This Policy is intended to set out criteria to pay equitable remuneration to the Directors, KMPs, SMPs and to determine qualifications, positive attributes and independence of a director and to harmonise the aspirations of human resources with the goals of the Company. This policy shall act as guidelines on matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel and Senior Management/officer.

## 3. **OBJECTIVE**

This objective of the Policy is to ensure: -

- i. that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors, KMPs and SMPs;
- ii. that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- iii. compliance with applicable laws, rules and regulations as well as ‘Fit and Proper criteria’ of directors before their appointment and on a continuing basis.
- iv. To formulate criteria for evaluation of performance of the members of the Board including Independent Directors and provide necessary report to the Board for further evaluation of the Board.
- v. To provide Key Managerial Personnel, SMP and other employees reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- vi. To retain, motivate and promote talent and to ensure long-term sustainability of talented managerial persons and create competitive advantage.

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- vii. To determine whether to extend or continue the term of appointment of the Independent Director(s), on the basis of the report of performance evaluation of Independent Directors.

### 4. **DEFINITIONS**

- (i) **'Act'** Means Companies Act, 2013
- (ii) **'Company'** Means West End Investment and Finance Consultancy Private Limited
- (iii) **'Board'** Means Board of Directors of the Company
- (iv) **'Policy'** Means Nomination and Remuneration Policy
- (v) **'Committee'** Means Nomination and Remuneration Committee as constituted or reconstituted by the Board, in accordance with the provisions of Applicable Law
- (vi) **'Key Management Personnel (KMP)'** shall mean the officer of the Company as defined in Section 2(51) of the Act:
  - ❖ the Chief Executive Officer or the Managing Director or the Manager;
  - ❖ the Company Secretary;
  - ❖ the Whole-Time Director;
  - ❖ Chief Financial Officer;
  - ❖ Such other officer, not more than one level below the Director who is whole-time employment, designated as key management personnel by the Board.
- (vii) **'Senior Management Personnel'** Means 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 director including the functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and any other applicable provisions on the Company and any amendments from time to time shall have the same meaning assigned to them therein.

### 5. **CONSTITUTION OF THE NOMINATION AND REMUNERATION COMMITTEE**

The constitution of the Committee is in compliance with the provisions of the Applicable Law. The Board has the power to constitute/reconstitute the Committee from time to time in order to make it consistent with Applicable Law.

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### 6. ROLE OF THE COMMITTEE

The role of the Nomination and Remuneration Committee shall be as follows: -

- i. Identify persons who are qualified to become directors and key managerial person in accordance with the criteria laid down by the Board;
- ii. recommend to the Board their appointment and removal;
- iii. evaluate the balance of skills, knowledge and experience on the Board for every appointment of an independent director and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - use the services of an external agencies, if required;
  - consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - consider the time commitments of the candidates.
- iv. shall specify the manner/criteria for effective evaluation of performance of Board, its committees, individual directors and KMPs to be carried out either by the Board or by the Nomination and Remuneration Committee;
- v. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- vi. frame, review and recommend to the Board a compensation policy relating to the remuneration of the directors, KMPs and SMPs;
- vii. ensure that there is no conflict of interest in appointment of directors on Board of the Company and KMPs;
- viii. Retain, motivate and promote talent and to ensure long term sustainability of talented Directors, KMPs, SMPs;
- ix. to carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

### 7. MEETING OF THE COMMITTEE

The meeting of the Committee shall be held at regular intervals as deemed fit and appropriate. The Company Secretary of the Company shall act as the Secretary of the Committee. The Chairman of the Committee or in his/her absence any other member of the Committee authorized by him/her on his/her behalf shall attend general meetings of the Company.

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Minutes of Committee meetings shall be recorded and signed by the Chairperson of the meeting and circulated/ tabled at the subsequent Board and Committee meeting.

### 8. **APPOINTMENT**

- a) The Board shall comprise of optimum number of Directors as is necessary to effectively manage the affairs of the Company. Subject to a minimum of 2/3 and maximum of 15.
- b) The Committee shall identify the person for appointment as Director (both executive & non-executive director), KMP and recommend to the Board his / her appointment. While identification/evaluating a person for appointment / re-appointment, the Committee shall consider various factors including individual's integrity, expertise, experience, competency, skills, abilities (viz. leadership, ability to exercise sound judgement), educational and professional background, personal accomplishment, age, relevant experience and understanding of related field.
- c) The Committee shall ascertain the Fit and Proper criteria of Directors at the time of their appointment and on continuing basis in the manner prescribed in **Directors Fit and Proper Policy**.
- d) The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- e) The appointment of SMPs shall be decided by the relevant KMP, who is direct reporting authority of such Senior Management/Officer personnel.

### 9. **TERM/TENURE**

The term / tenure of the Directors shall be governed as per provisions of the applicable laws, as amended from time to time and as follows: -

#### i. **Managing Director / Whole-time Director / Manager (Managerial Person): -**

The Company shall appoint or re-appoint any person as its Managerial Person for a term up to five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

#### ii. **Independent Director**

An Independent Director may hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, however, such Independent Director shall be eligible for appointment after expiry of three years of

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ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

### **10. PERFORMANCE EVALUATION**

The Committee shall specify the manner for effective evaluation of performance of Board, its committees and individual directors of the Company with the aim to improve the effectiveness and efficiency of the Board and Committees.

The Board of Directors shall carry out the performance evaluation of every individual director except the director being evaluated, along with its various Board Committees and Board as whole. Further, performance evaluation shall be carried out at least once in a year in accordance with the manner prescribed in **Policy on Evaluation of performance of Directors and the Board.**

The performance evaluation of KMPs (excluding executive directors) shall be performed by Nomination & Remuneration Committee and of SMPs by the Compensation Committee of the Company, on annual basis or at the time of salary appraisals and in compliance with the Articles of Association of the Company.

### **11. REMOVAL**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder or for such other compelling reasons, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or 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 shall retire as per the applicable provisions of the Act or the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

### **13. REMUNERATION & COMPENSATION STRUCTURE**

#### **a) REMUNERATION TO EXECUTIVE DIRECTORS/KMPS/SMPS AND OTHER EMPLOYEES**

The remuneration / compensation / commission (if any) etc. to Executive Directors and KMPs will be determined by the Nomination & Remuneration Committee and

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recommended to the Board and/or Shareholders for their approval, subject to and within the maximum limits as prescribed in the Applicable law.

Further, the remuneration / compensation / commission (if any) etc. for SMPs and other employees, at the time of their appointment, shall be decided by the relevant KMP who is direct reporting authority of such SMPs. Increase in the remuneration of employees is affected based on an annual review taking into account performance of the employee.

### **b) REMUNERATION TO NON-EXECUTIVE & INDEPENDENT DIRECTORS**

- a) The Non-Executive/Independent Directors of the Company are entitled to sitting fees as determined by Board from time to time for attending Board / Committee / general meetings thereof in accordance with the provisions of the Applicable Law, as may be amended from the time being in force.
- b) The expenses for attending the Board / Committee / general meetings including travelling, boarding, and lodging expenses, shall be reimbursed by the Company.
- c) The Committee may recommend the payment of remuneration/profit related commission or such other variable pay based on their level of responsibility and performance and in accordance with the statutory provisions of the Applicable Law, as may be amended from the time being in force.
- d) Non-executive Directors (excluding Independent Directors) shall be eligible to get stock option of the Company and also shall be eligible to participate in any share based payment schemes of the Company.
- e) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration, and following conditions shall be satisfied:
  - The Services are rendered by such Director in his capacity as the professional; and
  - In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

### **14. AMENDMENT/REVISION/REVIEW**

The Nomination & Remuneration Committee shall monitor and periodically review the Policy and recommend the necessary changes to the Board for its approval.

The CFO and the Company Secretary are jointly authorised to amend the Policy to give effect to any changes/amendments notified by Ministry of Corporate Affairs. The amended Policy shall be placed before the NRC and the Board for noting and ratification.

The Board shall have the power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision or replace this Policy entirely with a new Policy.

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In case of any amendment(s), clarification(s), circular(s), etc. issued by the relevant authorities not being consistent with the provisions laid down in this Policy, then such amendment(s), clarification(s), circular(s), etc. shall prevail upon the provisions herein and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s), etc.

### **15. CONFLICT OF LAW CLAUSE**

Any provisions in this policy, insofar as it is inconsistent or contradictory with the provisions of law and/or any statutory enactments shall, to the extent of such inconsistency, be void and the provisions of law/statutory enactment shall prevail.