

**DRAFT FOR CONSIDERATION OF THE BOARD**  
**NOMINATION AND REMUNERATION POLICY**

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the Rule 6 of Companies (Meetings of Board and its Powers) Rules, 2014 thereto as amended from time to time. This is a policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management.

**Objective:**

1. To recommend to the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
2. To evaluate the performance of the members of the Directors, Key Managerial Personnel and Senior Management.
3. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
4. To provide to Directors, Key Managerial Personnel and Senior Management rewards linked directly to their efforts, performances.
5. To retain, motivate Directors, Key Managerial Personnel and Senior Management to run the company successfully.

**Constitution of the Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee shall consist of Three Non – Executive Directors out of which not less than one-half shall be Independent Directors.

**Definitions:**

**Company** means Zenplus Private Limited

**Board** means Board of Directors of the Company.

**Directors** mean Directors of the Company.

**Key Managerial Personnel** means

- Chief Executive Officer or the Managing Director or the Manager;
- Whole-time Director;
- Chief Financial Officer;
- Company Secretary; and
- such other officer as may be prescribed.

**Senior Management** means personnel of the Company who are members of its core management team excluding the Board of Directors including Functional Heads.

**Committee** means Nomination and Remuneration Committee as constituted or reconstituted by the Board in accordance with Companies Act, 2013 read along with the Rule 6 of Companies (Meetings of Board And its Powers) Rules, 2014 thereto as amended from time to time.

### **Appointment and Removal of Director, Key Managerial Personnel and Senior Management:**

#### **Appointment:**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

#### **Term / Tenure:**

- a) Managing Director/Whole-time Director:  
The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- a) Independent Director:  
An Independent Director shall 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 of up to maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of 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.

#### **Removal**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, 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.

## **Retirement**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and 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.

## **Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel:**

### **1) Remuneration to Managing Director / Whole-time Directors:**

- a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

### **2) Remuneration to Non- Executive / Independent Directors:**

- a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) 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. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.

### **3) Remuneration to Key Managerial Personnel and Senior Management:**

The KMP, Senior Management Personnel and other employees of the Company shall be paid monthly remuneration as per the Company's HR policies and Committee. The break-up of the pay scale and quantum of perquisites like medical expenses, club fees, etc. shall be as per the Company's HR policy.

The Incentive pay shall be decided based on the performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

**Implementation:**

The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate. The Board of Directors on its own and/or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment.