



**CHARTERED CAPITAL AND INVESTMENT
LIMITED**

**NOMINATION
&
REMUNERATION POLICY**

Nomination & Remuneration Policy

Introduction:

This policy applies to the Board of directors, Key Managerial Personnel and Senior Management Personnel of Chartered Capital And Investment Limited. ("The Company").

The policy envisages framework for nomination, remuneration and evaluation of Board of Directors, Key Managerial Personnel and Senior Management Personnel in adherence to the requirement of section 178 of the Companies Act, 2013, Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in line with the company philosophy toward nurturing its human resource.

The Company has a Remuneration Committee of the Board, consisting of three Non Executive Directors, pursuant to requirements of the Companies Act, 2013 and SEBI (LODR) Regulations. In order to align with the provisions of the Companies Act, 2013, the Board in their meeting held on August 14, 2014 reconstituted the "Remuneration Committee" to "Nomination and Remuneration Committee".

1. Definitions:

"Board" means the Board of Directors of the company.

"Independent Director" means a director referred to in Section 149(6) of the Companies Act, 2013.

"Key Managerial Personnel ('KMP')" means

- (i) Chief Executive Officer or the Managing Director or the Manager;
- (ii) Whole-time Director;
- (iii) Chief Financial Officer;
- (iv) Company Secretary; and
- (v) Such other officers as may be prescribed under the act from time to time.

"Nomination and Remuneration Committee" ('Committee') means the Committee of the Board constituted or re-constituted from time to time under the provisions of Regulation 19 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013.

"Senior Management Personnel ('SMP')" means a company employee who is member of its core management team excluding Board of Directors and are one level below the executive directors, including 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 as may be amended from time to time shall have the meaning respectively assigned to them herein.

2. Appointment and removal of Director, KMP and SMP

2.1. Criteria for appointment of Director, KMP and SMP

The Committee shall consider the following factors for identifying the person who are qualified to becoming Director and who can be appointed as KMP or SMP:

- 2.1.1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director or as KMP or SMP and recommend to the Board his/ her appointment
- 2.1.2. A Person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

- 2.1.3. An independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company's business.
- 2.1.4. The performance evaluation of Independent directors is determined by the Nomination and Remuneration committee. An indicative list of factors on which evaluation is carried out includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgement.
- 2.1.5. The Company may appoint or continue the employment of any person as Managing Director and Wholetime Director, who has attained the age of seventy years subject to the approval of shareholders by passing a special resolution. The explanatory statement annexed to the notice for such motion indicating the justification for appointing such person.
- 2.1.6. The Company should ensure that the person so appointed as Director/ Independent Director/ KMP / SMP shall not be disqualified under the Companies Act, 2013, rules made there under, or any other enactment for the time being in force.
- 2.1.7. The Director/Independent Director/KMP/SMP shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made thereunder, or under SEBI (LODR) Regulations or any other enactment for the time being in force.
- 2.1.8. Independent Director shall meet all criteria specified in Section 149(6) of the Companies Act, 2013 and rules made thereunder and / or as specified in Regulation 17 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate(s).

2.2. CRITERIA FOR DETERMINING POSITIVE ATTRIBUTES & INDEPENDENCE OF DIRECTORS

Criteria for determining positive attributes:

The Committee shall consider the following factors for determining positive attributes of directors (including independent directors):

- 2.2.1. Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively, and the willingness to address issues proactively.
- 2.2.2. Actively update their knowledge and skills with the latest developments in the financial services industry, market conditions and applicable legal provisions.
- 2.2.3. Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities.
- 2.2.4. To assist in bringing independent judgment to bear on the Board's deliberations especially in issues of strategy, performance, risk management, resources, key appointments and standards of conduct.
- 2.2.5. Ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company.
- 2.2.6. To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees.

Criteria for determining Independence:

The Independent Director shall qualify the criteria of independence mentioned in Section 149(6) of the Companies Act, 2013 and rules related thereto and in Regulation 17 and Regulation 25 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

3. Board Diversity

The Board shall have an optimum combination of executive and non executive Directors, comprising of experts from the different fields as may be decided by the Committee from time to time.

4. Remuneration of Managing Director/Whole-Time Directors:

The terms and conditions of appointment and remuneration payable to Managing Director and Whole-Time Directors shall be recommended by the Nomination and Remuneration Committee to the board subject to the overall limits provided under the Companies Act, 2013 and rules made thereunder including any modifications and re-enactments thereto which shall be subject to approval by the shareholders at next Annual General Meeting of the company, if required and by the Central Government in case such appointment is at variance to the conditions specified schedule V of the Companies Act, 2013. Approval of the central government is not necessary if the appointment is made in accordance with the condition specified in schedule V to the Act.

As per the provision of the Companies Act, 2013, the Company may appoint a person as its Managing Director or Manager, Whole-Time Director for a term not exceeding five years at a time.

The executive directors may be paid remuneration either by way of a monthly payment or at a specified percentage of net profits of the company or partly by one way and partly by other. The Board may approve payment of commission on the profits of the company subject to the overall limits provided into the Act.

The break-up of the pay scale, performance bonus and quantum of perquisites including, employer's contribution to Provident Fund, pension scheme, medical expenses, etc. shall be decided and approved by the board on the recommendation of the committee and shall be within the overall remuneration approved by the share holders and Central Government, wherever required.

While recommending the remuneration payable to managing or whole time director, the committee shall inter alia; have regard to the following matters:

- Financial and operating performance of the company
- Relationship between remuneration and performance
- Industry/ sector trends for the remuneration paid to executive directors

5. Remuneration to Non Executive / Independent Director:

The Non Executive / Independent Director may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof and are eligible for reimbursement of expenses for participation in board and other meetings.

Based on recommendation of committee, the board may decide the sitting fees payable to Non-executive directors provided that such fees shall not exceed the maximum permissible limit under the Companies Act, 2013.

6. Nomination and Remuneration of KMP & SMP:

The Executive management of a company is responsible for the day to day management of a company. The Companies Act, 2013 has used the term "Key Managerial Personnel" to define the executive management.

The KMP is point of first contact between the company and its stakeholders. While the Board of Directors responsible for providing the oversight, it is Key Managerial Personnel and the Senior Management Personnel who are responsible for not just laying down the strategies as well as its implementation.

Among the KMP, remuneration of a Managing Director and Whole Time Director, shall be governed by the Section 197 of the Companies Act, 2013 dealing with "Remuneration of Managing Director and Whole Time Director".

Apart from the directors, the remuneration of all the other KMP such as the Chief Financial Officer and Company Secretary and any other officer that may be prescribed under the statute from time to time shall

be determined by the committee of the company in consultation with the Managing Director and the Whole Time Director.

The Remuneration determined for all Senior Management Personnel shall be in line with the Company's philosophy to provide fair compensation to Key- Executive officer based on their performance and contribution to the company and to provide incentives.

7. Criteria for evaluation of Board

The evaluation of board shall be carried out annually as per the provisions of the Companies Act, 2013, rules thereof and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015..

Performance evaluation of each Director will be based on the criteria as laid down from time to time by the Nomination and Remuneration Committee.

Criteria for performance evaluation shall include aspects such as attendance for the meetings, participation and independence during the meetings, interaction with Management, Role and accountability to the Board, knowledge and proficiency and any other factors as may be decided by the Nomination and Remuneration Committee.

Further, performance evaluation of an Executive Director will also base on business achievements of the company.

8. Review and Amendment

- i. The Nomination and Remuneration Committee or the Board may review the Policy as and when it deems necessary.
- ii. The Nomination and Remuneration Committee may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this Policy, if it thinks necessary.
- iii. This Policy may be amended or substituted by the Nomination and Remuneration Committee or by the Board as and when required.