
NOMINATION AND REMUNERATION POLICY

(HELPAGE FINLEASE LIMITED)

CIN: L51909DL1982PLC014434

NOMINATION AND REMUNERATION POLICY

1. Introduction:

The “**HELPAGE FINLEASE LIMITED**” formulates its Nomination and Remuneration Policy in compliance with Section 178 of the Companies Act, 2013 read with the applicable rules thereto and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulation, 2015. The Nomination and Remuneration Policy of Helpage Finlease Limited (**hereinafter referred to as “the Company”**) is designed to attract, motivate, improve productivity and retain manpower, by creating a congenial work environment, encouraging initiatives, personal growth and team work, and inculcating a sense of belonging and involvement, besides offering appropriate remuneration packages and superannuation benefits. The policy reflects the Company's objectives for good corporate governance as well as sustained long term value creation for shareholders.

2. The Key Objectives of the Committee would be:

The objectives and purpose of this Policy are:

a) To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a director (Whole-time/ non-executive/ independent) of the Company (“**Director**”)

To recommend candidates for appointment as Director, Key Managerial Personnel (KMP) and Senior Management

b) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board and Recommending the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

c) To ensure that all provisions regarding Remuneration Policy and duties of Committee as required under the Companies Act, 2013 or such other acts, rules, regulations or guidelines are complied with.

3. Definitions:

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

“**Committee**” means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in accordance with the Act and applicable Listing Regulations.

“**Company**” means Helpage Finlease Limited.

“**Remuneration**” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961 and other statutory benefits;

“**Key Managerial Personnel**” means key managerial personnel shall include as defined under the Companies Act, 2013

1. The Managing Director;

2. The Company Secretary;
3. The Non-Executive Directors;
4. The Chief Financial Officer;
5. Such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
6. Such other officer as may be prescribed. “Senior Managerial Personnel

“**Senior Managerial Personnel**” mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all functional heads or Head of the Division.

4. ROLE OF COMMITTEE:

A. Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee. The Committee shall:

- Identify persons who are qualified to become Director(s).
- Persons who may be appointed in Senior Management positions and KMP other than Directors shall be decided by the Managing Director.
- Recommend to the Board, appointment and removal of Director(s). The appointment and removal of Company Secretary and Senior Management Personnel shall be decided by the Managing Director in best interests of the Company. However, if the need be, the Managing Director may consult the Committee / Board for further directions / guidance

B. Policy for appointment and removal of Director, KMP and Senior Management

Appointment criteria and qualifications:

- The Committee shall identify and ascertain the qualification and experience of the person for appointment as Directors.

The Managing Director is authorized to identify and ascertain the qualification and experience of Company Secretary or at Senior Management level persons. However, if the need be, the Managing Director may consult the Committee / Board for further directions / guidance.

- A person should possess adequate qualification, expertise and experience for the position of the Whole time Directors. The Managing Director has discretion to decide whether qualification, and experience possessed by a person is sufficient / satisfactory for the concerned position for the position of Company Secretary and senior managerial persons
- 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 based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

Term / Tenure 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 reappointment shall be made earlier than one year before the expiry of term.
- Independent Directors: - An Independent Director shall be appointed in terms of Section 149 of the Companies Act, 2013 and 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, 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 / Board for further directions / guidance, with reasons recorded in writing, removal of a Director, KMP or subject to the provisions and compliance of the said Act, rules and regulations.
- Removal Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder in case of Senior Management Personnel and Company Secretary, the Managing Director may consult the Committee / Board for further directions / guidance if need be.
- 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.

C. Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel

- Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

The remuneration / compensation / commission, etc., as the case may be, to the Managing /Whole-time Director(s) will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission, etc., as the case may be, shall be subject to the prior / post approval of the shareholders of the Company shall be in accordance

with the provisions of the Act and Rules made thereunder. Further, the Managing Director of the Company is authorized to decide the remuneration of KMP (other than Managing / Whole time Director) and Senior Management Personnel, and which shall be decided based on qualification and experience etc. as he may consider necessary in the best interests of the Company.

- Remuneration to Non- Executive / Independent Director: The remuneration / commission / sitting fees, as the case may be, to the Non-Executive /Independent Director/s, shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being in force or as may be decided by the Committee / Board /shareholders in accordance with the law. However, Non- Executive / Independent Director has waived their right of receiving sitting fees.

5. MEMBERSHIP

- Committee consisting of three or more non-executive directors out of which not less than one-half shall be independent directors.
- Minimum two (2) members shall constitute a quorum for the Committee meeting.
- Constitution of the Committee shall be disclosed in the Annual Report.
- Term of the Committee shall be continued unless terminated by the Board of Directors.

6. CHAIRPERSON

- Chairperson of the Committee shall be an Independent Director.
- Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

7. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

8. COMMITTEE MEMBERS' INTERESTS

- A member of the Committee is not entitled to be present in case of his or her own remuneration is discussed at a meeting.
- The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

9. SECRETARY

- The Company Secretary of the Company shall act as Secretary of the Committee.

10. VOTING

- Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- In the case of equality of votes, the Chairman of the meeting will have a casting vote.

11. REMUNERATION DUTIES: The duties of the Committee in relation to remuneration matters include:

- To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- To approve the remuneration of the Whole Time Director(s) and Managing Director of the Company maintaining a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company.
- To delegate any of its powers to one or more of its members or the Secretary of the Committee.
- To consider any other matters as may be requested by the Board.