



Nomination and Remuneration Policy  
of  
Tickerplant Limited

1. Introduction
2. Definitions
3. Objective of the Policy
4. Nomination and Remuneration Committee (NRC)
5. Role, terms of reference and powers of the Committee
6. Nomination and Remuneration Policy
  - a. Effective date and applicability of the Policy
  - b. Appointment and removal of Directors and Key Managerial Personnel
  - c. Remuneration to Directors, Key Managerial Personnel and Senior Management Personnel
  - d. Evaluation of performances of Independent Directors and the Board
  - e. Disclosures and dissemination
  - f. Review and amendments
  - g. General

## NOMINATION AND REMUNERATION POLICY OF TICKERPLANT LIMITED

### **1. Introduction**

The erstwhile Remuneration and Compensation committee of Tickerplant Limited (hereinafter referred as “the Company”) was renamed as “The Nomination and Remuneration Committee” as on 7<sup>th</sup> August 2014 in order to align with the provisions of the Companies Act 2013.

This document contains the scope of reference, role and responsibility of the Committee, as well as the recommendations made by them for the Nomination and Remunerations, as may be applicable, to the Board.

### **2. Definitions**

In this document unless the context otherwise requires:

- i. ‘Act’ means Companies Act, 2013 and rules thereunder
- ii. ‘Board of Directors’ or ‘Board’, in relation to the Company, means the collective body of the directors of the Company
- iii. ‘Committee’ means Nomination and Remuneration Committee (NRC) of the Company as constituted or reconstituted by the Board
- iv. Company means Tickerplant Limited
- v. ‘Directors’ means Directors of the Company who constitute the Board of the Company.
- vi. ‘Independent Director’ means a director referred to in Section 149(6) of the Companies Act, 2013
- vii. ‘Key Managerial Personnel’ (KMP) means:
  - a. Chief Executive Officer and / or Managing Director
  - b. Whole-time Director
  - c. Chief Financial Officer
  - d. Company Secretary
  - e. Such other officer as may be prescribed
- viii. ‘Ministry’ means the Ministry of Corporate Affairs
- ix. ‘Regulations’ refers to and comprise of Companies Act, 2013, The Companies (Meeting of Board and its Powers) Rules, 2014, The Companies (Appointment and Qualification of Directors) Rules, 2014, The Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 and such other rules and provisions as applicable to the matters dealt in by this Policy including any statutory amendments thereto
- x. ‘Senior Management Personnel’ shall mean officers/personnel of the company who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the executive directors, including all 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 read with Rules made thereunder shall have the meaning respectively assigned to them therein.

### **3. Objective of the Policy**

The NRC, has been formulated with the following objectives, pursuant to the provisions of Section 178 of the Act.

- a) to guide and recommend to the Board in relation to appointment and removal of Directors and KMP;
- b) to evaluate performance of the members of the Board
- c) to recommend to the Board a policy relating to the remuneration of the Directors and KMP .
- d) to ratify/ approve, the appointment/removal/ remuneration of Senior Management and other employees, other than Executive Directors and KMPs. For Senior Management & other employees, the Committee shall consider the recommendation of the CEO.

### **4. Nomination & Remuneration Committee (NRC)**

The NRC of the Company is constituted pursuant to the provisions of Section 178 read with the Companies (Meetings of the Board and its powers) Rules 2014. The erstwhile Remuneration and Compensation Committee was renamed as the NRC as on 7<sup>th</sup> August 2014 to bring it with the provisions of the Companies Act 2013.

#### **i. Membership:**

The Committee shall comprise of at least 3 directors, all of whom shall be non-executive directors of which at least half shall be independent. The appointment and removal of the members of the Committee shall be as per the provisions of the Act and Rules made thereunder. Term of the Committee shall be continued unless terminated by the Board of Directors.

A member of the Committee is not entitled to be present when his or her own remuneration is discussed at the meeting or when his or her performance is being evaluated.

The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

ii. **Chairman:**

At the time of appointment of the members of the Committee, the Board shall also appoint a Chairman who shall be an independent Director.

In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.

Chairman of the NRC could be present at the Annual General Meeting or may nominate some other member to answer the shareholder's queries.

iii. **Secretary:**

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

iv. **Frequency of the meetings:**

The meeting of the Committee shall be held at such regular intervals as may be decided by the Chairman of the Committee.

v. **Quorum:**

Minimum two (2) members shall constitute a quorum for the Committee meeting.

vi. **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 purpose be deemed a decision of the Committee.

In the case of equality of votes, the Chairman of the meeting will have a casting vote.

vii. **Minutes:**

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meetings. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

## **5. Role, terms of reference and powers of the Committee**

The Role, terms of reference and powers of NRC, inter-alia, includes the following:

1. to formulate a criteria for determining qualifications, positive attributes and independence of a director;
2. To recommend to the Board the appointment and removal of Directors, and KMP
3. To review and ratify the appointment and removal of Senior Managerial Personnel other than Executive Directors/ KMPs

4. To evaluate Independent Directors and the Board
5. To review the overall Remuneration Policy of the company and recommend the board the same with a view to reward and motivate employees.
6. The Committee shall discharge such other function(s) or exercise such power(s) as may be delegated to the Committee by the Board from time to time.

**6. The Committee has recommended a Policy for the Company as follows.**

**a) Effective date and applicability of the policy**

This policy shall be effective from Financial Year 2018-19 and it shall be applicable to:

- a) Directors viz. Executive, Non-executive and Independent
- b) KMP
- c) Senior Management Personnel
- d) Other employees of the Company

**b) Appointment and removal of Directors and Key Managerial Personnel**

**i. Appointment of Director and KMP**

The Committee shall identify the persons to be appointed on the Board of the Company as Directors and as KMPs and shall also identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director and KMP and recommend to the Board his/her appointment.

The Committee shall, also formulate the criteria for determining the positive attributes and independence of a director for his/her appointment as an Independent Director on the Board of the Company. The Committee, in order to formulate the aforesaid criteria, shall take note of the independence criteria described in Section 149(6), the Companies (Appointment and Qualifications of Directors) Rules 2014 read with Schedule IV of the Companies Act 2013.

Appointment of the Independent Directors is subject to compliance of provisions of section 149 of the Companies Act, 2013, read with schedule IV and rules thereunder. Every such appointment will be pursuant to a resolution passed in the Board containing the terms and conditions of appointment including the remuneration.

In order to comply and to align with the Companies Act 2013, 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. Further, the Company shall not appoint any person below twenty one years of age as an independent director on the Board of the Company.

Any person, who is disqualified to be appointed as a director pursuant to the applicable provisions of the Companies Act 2013 shall not be appointed on the Board of the Company.

Information on all appointments of Senior Management Personnel has to be shared with the committee for their ratification and information.

## **ii. Term/Tenure**

Appointment or re-appointment of any person as the Whole-time Director, Managing Director or Executive Director shall not be made for a term exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term. The appointment or re-appointment of any person as the Whole time Director, Managing Director or Executive Director shall be subject to approval of the shareholders of the Company.

Subject to the provisions of the applicable provisions, 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(s) of such appointment in the Board's report.

An Independent Director shall not hold office for more than two consecutive terms, but he/she 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.

## **iii. Removal, termination and severances**

If a Director, or KMP attracts any disqualification as mentioned in the Companies Act 2013 or under any other applicable Act, rules and regulations therein, or for any other reason the committee thinks appropriate, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director or KMP subject to the provisions and compliance of the said Act, rules and regulations.

The resulting vacancy in the office of any whole time KMP shall be filled-up by the Board upon recommendation of the Committee at the meeting of the Board within a period of six months from the date of such vacancy. Provided that, if the resulting vacancy in the Board,

does not affect the composition of the Board of Directors, the Committee shall decide whether recommendation is required to be made to the Board for re-filling the vacancy.

Information on all removals or change in Senior Management Personnel have to be shared with the committee for their ratification and information.

#### **iv. Retirement**

The Director or KMP 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 or KMP in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

#### **c) Remuneration to Directors, Key Managerial Personnel and Senior Management Personnel**

The Committee considers and is bound by the statutory requirements, interests of the Company and its stakeholders and such other factors as it deems appropriate while making proposal for compensation for the Board of the Company, as well as the need to attract and motivate members of the Board. The remuneration / profit-linked commission etc. to the executive directors, non-executive directors and independent directors shall be in accordance with the limits prescribed in the Companies Act and shall be subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required. However, the requirement of obtaining prior approval of shareholders in general meeting shall not apply to payment of sitting fees to non-executive director, if made within the limits prescribed under the Companies Act 2013 for payment of sitting fees without approval of the Central Government.

In the case of the rest of the employees including KMPs, Senior Management Personnel and other employees the following policy guidelines will apply

- Annual Increment will be given to all employees based on the inflation rate, industry standards and individual performance, and overall performance and profitability of the Company.
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks as defined in a Performance Management Process to be followed for all employees.
- Factors like loyalty, past and present performance with the company to be borne in mind while giving the increment
- Remuneration should involve a balance between fixed pay, incentives based on specific, exceptional achievements and predefined criteria, and long term rewards.



**d) Evaluation of performance of Independent Directors and the Board**

The Committee shall lay down evaluation criteria for performance evaluation of independent directors as well as carry out evaluation of the performance of every Director including independent directors. The performance evaluation of independent directors/ Chairman shall be done by the entire Board of Directors (excluding the director being evaluated).

On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of independent director.

**e) Disclosure and dissemination**

Disclosures relating to the appointment of Directors, remuneration of directors, all pecuniary relationship or transactions of directors with the Company, criteria of making payments to the non-executive directors, number of shares and convertible instruments held by non-executive directors, disclosure by non-executive directors of their shareholding to the Company, criteria for performance evaluation and all other relevant information as required to be disclosed pursuant to the provisions of the Companies Act 2013, including any statutory amendments thereto, shall be disclosed by the Company in the manner provided by the said provisions.

The details of the evaluation criteria, as applicable, shall be disclosed in the Annual Report as part of the Board's Report therein.

**f) Review and amendments**

The Committee or the Board may review this Policy as and when it deems necessary. This policy may be amended, modified or substituted by the Committee or by the Board as and when required without assigning any reasons.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authority, 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.

**g) General**

In case of any doubt with regards to any of the provisions of this policy or any clarification required the Company Secretary of the Company may be approached. In case any deviation to the policy guidelines are needed, the same to be placed to the Committee for approval.