

NOMINATION AND REMUNERATION POLICY OF FDC LIMITED

This Policy on the appointment of Directors, including Independent Directors, Key Managerial Personnel (KMP) and Senior Management and Policy on the remuneration of the Directors, KMP and other Employees is provided pursuant to the provisions of Section 178 of the Companies Act, 2013 and the Rules made thereunder, and Regulation 19 of the Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 (“Listing Obligations”).

Human Resources play an important role in the growth and success of the Company. Having a Board with diversified expertise and experience, adequate composition of the Executive and Independent Directors provides the required vision and mission for the Company, in order to achieve its pre-determined goals and diversify its business operations.

The Company has in place a “Nomination and Remuneration Committee”, consisting of 4 (Four) qualified and experienced Independent Non Executive Directors.

1. OBJECTIVE

The Key Objectives of the Committee are as follows:

- a. to guide the Board in relation to the appointment and removal of Directors, Key Managerial Personnel and Senior Management;
- b. to evaluate the performance of the individual members of the Board at the time of their appointment/ re-appointment, and provide necessary reports to the Board for further evaluation of the Board; and
- c. to recommend to the Board on the remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

2. DEFINITIONS

- a. **“The Board”** means the Board of Directors of the Company
- b. **“Director”** means a Director of the Company
- c. **“Independent Director”** means a Director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015.
- d. **“Key Managerial Personnel”** means
 - (i) Chief Executive Officer or the Managing Director or the Manager;
 - (ii) Wholetime Director;
 - (iii) Chief Financial Officer; and
 - (iv) Company Secretary;
- e. **“Senior Management”** means personnel of the Company who are members of it’s core Management team, excluding the Board of Directors, and all members of the Management, one level below the Executive Directors.

3. ROLE OF THE COMMITTEE

The role of the Committee, inter alia, would include the following:

- a. To formulate a criteria for determining qualifications, positive attributes and independence of a Director;
- b. To recommend to the Board the appointment and removal of Senior Management;
- c. To carry out evaluation of Director's performance and recommend to the Board their appointment / removal based on his / her performance;
- d. To recommend to the Board on (i) policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management and (ii) Executive Directors remuneration and incentive;
- e. To make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- f. To ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks,
- g. To devise a policy on Board diversity; and
- h. To develop a succession plan for the Board

4. CONSTITUTION OF THE COMMITTEE

- a. The Committee shall consist of a minimum Three (3) Non-Executive directors, the majority of them being independent.
- b. Minimum Two (2) members shall constitute a quorum for the Committee meeting.
- c. Membership of the Committee shall be disclosed in the Annual Report.
- d. Term of the Committee shall be continued unless terminated by the Board of Directors.

5. CHAIRMAN

- a. The Chairman of the Committee shall be an Independent Director.
- b. The Chairman of the Company may be appointed as a member of the Committee, but shall not be a Chairman of the Committee.
- c. In the absence of the Chairman, the members of the Committee, present at the meeting, shall choose one amongst them to act as the Chairman.

- d. The Chairman of the Committee may be present at the Annual General Meeting, or may nominate some other member, to answer the shareholders' queries.

6. FREQUENCY OF MEETINGS

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

7. COMMITTEE MEMBERS' INTERESTS

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

8. SECRETARY

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

9. VOTING

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

10. NOMINATION DUTIES

The duties of the Committee, in relation to nomination matters, include the following:

- a. Ensuring that there is an appropriate induction & training programme in place for new Directors and members of Senior Management and reviewing its effectiveness;
- b. Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment, in accordance with the Guidelines provided under the Companies Act, 2013;
- c. Identifying and recommending Directors who are to be put forward for appointment/ re-appointment/retirement by rotation;
- d. Determining the appropriate size, diversity and composition of the Board;
- e. Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- f. Evaluating the performance of the Board members and Senior Management, in the context of the Company's performance from business and compliance perspectives;

- g. Making recommendations to the Board concerning any matters relating to the continuance in office of any Director, at any time, including the suspension or termination of service of an Executive Director, as an employee of the Company, subject to the provisions of the law and their service contract;
- h. Delegating any of its powers to one or more of its members, or the Secretary of the Committee;
- i. Recommend any necessary changes to the Board; and
- j. Considering any other matters, as may be requested by the Board.

11. NOMINATION PROCEDURE

While appointing the appropriate individual to the Board of Directors, the Committee shall first consider and recommend to the Board of Directors the suitable candidate for Directorship, proposed by the Managing Director, taking into consideration the candidate's skills, knowledge, expertise, experience, time, commitment, character, professionalism and integrity.

For the position of Independent, Non-Executive Directors, the Committee would also evaluate the candidate's ability to discharge such responsibilities, as expected of an Independent, Non-Executive Director. The Committee shall evaluate the balance of skills, knowledge, experience and diversity of the Board of Directors.

The Committee shall prepare a description of the role and capabilities required for a particular appointment, before a recommendation is made to the Board of Directors.

In identifying the suitable candidates, the Committee shall take into account the following:

- a. review competencies, independence and time commitment of candidates;
- b. consider candidates from a wide range of backgrounds; and
- c. request to consider the disclosure of any business interests that may result in conflict of interest.

12. REMUNERATION DUTIES

The duties of the Committee, in relation to remuneration matters, include:

- a. 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 for all elements of the remuneration of the members of the Board;
- b. to approve the remuneration of the Senior Management, including key managerial personnel 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;
- c. to delegate any of its powers to one or more of its members, or the Secretary of the Committee;

- d. to consider any other matters, as may be requested by the Board; and
- e. Professional indemnity and liability insurance for Directors and Senior Management;

13. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be recorded as minutes and signed by the Chairman of the Committee. Minutes of the Committee meetings shall be placed at the subsequent Board meetings.

14. MODIFICATION OF POLICY

The Committee may modify this Policy, unilaterally, at any time. Modification may be necessary, among other reasons, to maintain compliance with the rules and regulations imposed by the Regulatory authorities.