



**Rodium Realty Ltd.**

Perspective To Perfection

## **Nomination and Remuneration Policy**

The Board of Directors of Rodium Realty Limited (the "Company") has already constituted the Nomination and Remuneration Committee. It was originally formed with the name "Remuneration Committee". Post notification of the Companies Act, 2013, the name of the said Committee was rechristened as the "Nomination and Remuneration Committee" by the Board at its meeting held on May 29, 2014, consisting of three Non Executive Independent Directors.

### **I. Objective:**

The Nomination and Remuneration Committee and this Policy is set out in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and the revised Clause 49 of the Listing Agreement. The Key Objectives of the Committee would be:

1. Guide and recommend to the Board regarding the appointment or removal and to assess necessary and desirable competencies of Directors, Key Managerial Personnel and Senior Management;
2. Review Board succession plans;
3. Evaluate the Board's performance;
4. To devise a policy for Board diversity;
5. To recommend to the Board on remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

### **II. Definitions:**

1. "**Act**" means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
2. "**Board**" means the Board of Directors of the Company.
3. "**Directors**" mean the Directors of the Company.
4. "**Key Managerial Personnel**" or "**KMP**" means
  - a. Chief Executive Officer or the Managing Director or the Manager;
  - b. Whole-time director;
  - c. Chief Financial Officer;
  - d. Company Secretary; and
  - e. such other officer as may be prescribed under the Act.
5. "**Senior Management**" means personnel of the Company who are members of its core management team excluding the Board of Directors including Functional Heads.



**Rodium Realty Ltd.**

Perspective To Perfection

### **III. Appointment, Re-appointment and Removal of Directors, KMP and Senior Management:**

1. 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 to the Board his/her appointment or re-appointment.
2. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient/satisfactory for the concerned position.
3. Due to reasons for any disqualification as mentioned in the Companies Act, 2013, and rules made thereunder including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.
4. The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing HR policies of the Company. The Board will have the discretion to retain the Director, KMP and Senior Management in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company, subject to the applicable provisions of the Act.
5. The provisions relating to retirement of directors by rotation shall not be applicable to appointment of Independent Directors.

### **IV. Term/ Tenure:**

1. The Company shall appoint or re-appoint any person as its Executive Chairperson, Managing Director or Whole-time 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.
2. Independent Director:
  - An Independent Director shall hold office for a term up to 5 consecutive years on the Board of the Company, but shall be eligible for reappointment 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 2 consecutive terms, but such Independent Director shall be eligible for appointment after the expiration of 3 years of ceasing to become an Independent Director provided that he shall not, during the said period of 3 years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
  - Every Independent Director shall at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the



**Rodium Realty Ltd.**

Perspective To Perfection

circumstances which may affect his status as an Independent Director, give a declaration that he meets the criteria of independence.

**V. Evaluation:**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at annual intervals or such other periods as may be decided by the Committee.

**VI. Remuneration for Whole Time Directors, KMP and Senior Management:**

1. The Committee shall lay down criteria relating to the remuneration of the Directors, KMPs and Senior Management in compliance with the relevant provisions of the Companies Act, 2013.
2. The Committee shall determine the remuneration/compensation/profit-linked commission etc. to the Managing Director and Independent Directors and recommend to the Board for approval.
3. The remuneration/compensation/commission, etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
4. The Non-executive and Independent Directors of the Company shall be paid sitting fees in terms of the Companies Act, 2013, and rules made thereunder including any statutory modification(s) or re-enactment(s) thereof for the time being in force. The quantum of sitting fees will be determined as per the recommendation of the Committee and approved by the Board of Directors of the Company. An Independent Director shall not be entitled to any stock option.
5. If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.
6. If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

**VII. Board Diversity:**

1. All Board appointments are made on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective.



**Rodium Realty Ltd.**

Perspective To Perfection

2. In reviewing the Board composition, the Committee will consider the benefits of all aspects of diversity in order to enable it to discharge its duties and responsibilities effectively.
3. At all times, the Board shall consist of at least one Woman Director.

**VIII. Disclosures:**

This policy shall be disclosed in the Annual Report as part of Board's report therein.

**IX. General:**

The Policy would be subject to revision/amendment in accordance with the applicable laws. The Committee and/or the Board reserves the right to alter, modify, add, delete or amend any of the provisions of this Policy.

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