MANDAVA HOLDINGS PRIVATE LIMITED

CIN: U74120TG2008PTC074522
Reg. Office: NSL Icon, 8-2-684/2/A, Road No.12, Banjara Hills, Hyderabad – 500 034, India
Ph: 91-40 30514444 / **Fax:** 91-40-23327919
email: cs.nslgroup@nslgroup.in

NOMINATION AND REMUNERATION POLICY

Background

This Nomination and Remuneration Policy has been formulated by Mandava Holdings Private Limited (the "Company") in compliance with RBI guidelines contained in their Master Direction on CICs dated August 25, 2016, read with Section 178 of the Companies Act.

The Board of Directors of the Company has approved and adopted this Policy at their meeting held on September 30, 2022 on the recommendation of the NRC Committee.

Objectives of the Policy

The objective of this Policy is to serve as a guiding charter to the NRC and its members in the following matters:

i) Appointment of qualified persons as Directors on the Board of Directors of the Company (Directors), Key Managerial Personnel (the 'KMP") and persons who may be appointed in Senior Management Positions ('SMP")

ii) Determining 'fit and proper' criteria for appointment of Directors

iii) Specifying framework for remuneration of Directors, KMPs and SMPs

Applicability of the Policy

This Policy shall be applicable to the following in the Company.

a) Directors
b) KMPs
c) SMPs

KMPs would mean the following executives:

a) Managing Director
b) Whole-time Director
c) Chief Financial Officer
d) Company Secretary
e) Such other officer as may be designated by the Board

SMPs would mean the following:

a) Members of Management one level below the MD/Whole-time Director
b) Functional Heads

(A) Role of NRC as a Nomination Committee

i) NRC shall be responsible for identifying suitable candidates for appointment/reappointment as Directors of the Company. The Committee shall undertake a process of due diligence to determine the suitability of the person for appointment/continuing to hold appointment as a Director on the Board, based upon qualification, expertise, track record, integrity and other 'fit and proper' criteria.

ii) To facilitate this, MHPL shall obtain necessary information and declaration from the proposed/existing Directors in the Format specified by RBI in the above referred Master Direction of August 25, 2016. NRC shall scrutinize these Declarations at the time of appointment/renewal of appointment of a Director. Based on the information provided in the signed Declarations, NRC shall decide on the suitability or otherwise of the Directors and make appropriate recommendations to the Board.

iii) While assessing the suitability of a candidate for the position of a Director, NRC shall also be guided by the following 'fit and proper' criteria:

a) Scrutiny of the information furnished in the Declarations and in the Deed of Covenants
b) Relevant qualifications and experience. An illustrative list of areas of expertise may be in one or more of the following fields:
   i) Finance & Accounts
   ii) Audit
   iii) M&A advisory
   iv) Corporate Law
   v) Banking
   vi) Corporate Governance
   vii) Risk Management & Compliance
   viii) Technology
   ix) Administration
   x) Engineering & Project Management
   xi) Taxation
   xii) Sales & Marketing
   xiii) Any other area related to the Company's business or that of its other verticals as determined by the NRC.
c) Track record
d) Integrity. During the term of the office, every Director shall:-
   i) uphold ethical standards of integrity and probity
   ii) act objectively and constructively

iii) exercise responsibilities in a bona-fide manner in the interest of the Company

iv) shall be free from any disqualifications stipulated under the Companies Act as well as under RBI Regulations.

iv) MHPL shall follow the following reporting requirements on change of Directors in terms of Master Circular on Corporate Governance for NBFCs, issued on July 01, 2015.

a) Furnish to RBI a quarterly statement on change of Directors.
b) A quarterly certificate from the MD that 'fit and proper' criteria in selection of the Directors has been followed
c) This statement submitted by the Company for the quarter ending March 31 shall be certified by the auditors.

v) The Committee shall ensure that an appropriate induction and familiarization programme is in place for new Directors, KMPs and SMPs after their appointment.

vi) **Appointment of Independent Directors**

While evaluating a person for appointment /reappointment as an Independent Director, the Committee shall ensure that the proposed candidate satisfies the additional criteria of "independence" as set out in Section 149 of the Companies Act.

A declaration of independence must be taken from an Independent Director at the first meeting of the Board in which he/she 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 circumstances which may affect this status as an Independent Director.

vii) **Appointment of Chairman, Managing Director/Whole-time Director**

The Board, based on the recommendations of the NRC, shall be responsible for appointing suitable candidates for these positions.

viii) The Company shall not appoint or continue the employment of any person as a Director who has attained the age of 75 years. Provided that the term of the person holding this position may be extended beyond the age of 75 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 75 years.

(B) Role of NRC as a Remuneration Committee

In general, the NRC of MHPL shall be guided in its remuneration policy by the provisions of Section 178(3&4) of the Companies Act 2013. Some of the general provisions are:

i) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
ii) The relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
iii) The remuneration to Directors, KMPs and SMPs involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
iv) Market competitive
v) Driven by the role played by the individual
vi) Reflective of the size of the Company, complexity of the sector/industry/Company's operations and the Company's capacity to pay.

Policy Implementation:

The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy. This Policy has to be read along with Section 178 of the Companies Act 2013.

NRC Policy Review

This Policy shall be in force for two years and may be amended from time to time to bring it in line with any amendments in the relevant provisions of the Companies Act or RBI guidelines or as directed by the Board of the Company.