

## NOMINATION AND REMUNERATION POLICY

### 1. Introduction

The Nomination & Remuneration Policy (“**Policy**”) of Nintec Systems Limited (“**NSL**” or “**Company**”) is formulated under the Companies Act, 2013 (“**Act**”) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (“**Listing Regulations**”) and other applicable laws (hereinafter referred to as “**Relevant laws**”).

### 2. Objective and Purpose

The Key Objectives of the policy shall be as per Sec 178 (2) & (3) of the Companies Act, 2013 (or as amended from time to time) given as under:-

1. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down;
2. To recommend to the Board the appointment and removal of directors and senior management;
3. To carry out evaluation of every director's performance;
4. To formulate the criteria for determining qualifications, positive attributes and independence of directors Key Managerial Personnel and Senior Management;
5. To recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
6. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

### 3. Definitions

1. "Board" means Board of Directors of the Company.
2. "Company" means "**NINTEC SYSTEMS LIMITED.**"
3. "Independent Director" means a director referred to in Section 149 (6) of the Companies Act, 2013.
4. "Key Managerial Personnel" (KMP) as defined in sec 2(51) of the Companies Act, 2013 means:-
  - a. Chief Executive Officer or the Managing Director or the Manager,
  - b. Company Secretary,
  - c. Whole-time Director,
  - d. Chief Financial Officer; and
  - e. Such other officer as may be prescribed.
5. "Nomination and Remuneration Committee" shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013

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6. "Policy or this Policy" means, "Nomination and Remuneration Policy."
7. "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 (as defined in Sec 2(78) of the Companies Act, 2013)
8. "Senior Management" means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the Board of Directors, including all the functional heads as defined in sec 178 of the Companies Act, 2013.

INTERPRETATION Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013, or rules made thereunder as amended from time to time.

#### **4. Applicability**

The Policy is applicable to;

1. Directors;
2. Key Managerial Personnel;
3. Senior Management Personnel.

#### **5. Guiding Principles**

The guiding Principles of the policy shall be those as defined in sec 178(4) of the Companies Act, 2013 as under: -

1. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Management team and Directors of the quality required to run the Company successfully;
2. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
3. Remuneration to Directors, Key Managerial Personnel and Senior Management 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.

#### **6. Role of the Committee**

The role of the Committee inter alia will be the following:

1. To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
2. To formulate criteria for evaluation of individual Directors and the Board.
3. To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this Policy.
4. To carry out evaluation of every Director's performance.

5. To recommend to the Board the appointment and removal of Directors and Senior Management.
6. To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
7. Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
8. To devise a policy on Board diversity.
9. To carry out any other function as is mandated by the Board from time to time and/ or enforced by any statutory notification, amendment or modification, as may be applicable.
10. To perform such other functions as may be necessary or appropriate for the performance of such duties.

## **7. Membership**

1. The Committee shall comprise at least three (3) Directors, all of whom shall be non-executive Directors and at least one-half shall be Independent.
2. The chairman of the Company, whether executive or non-executive may be a member of the committee but shall not chair its meeting.
3. The Board shall reconstitute the Committee as and when required to comply with the provisions of the Companies Act, 2013 and other applicable statutory requirements.
4. Minimum two (2) members shall constitute a quorum for the Committee meeting.
5. Membership of the Committee shall be disclosed in the Annual Report.
6. Term of the Committee shall be continued unless terminated by the Board of Directors.

## **8. Chairman**

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

## **9. Frequency of Meetings**

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

## **10. Committee Members' Interests**

1. 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.
2. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

### **11. Voting**

1. 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.
2. In the case of equality of votes, the Chairman of the meeting will have a casting vote.

### **12. Secretary**

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

### **13. Policy For Appointment and Removal of Director, KMP And Senior Management**

#### Appointment criteria and qualifications:

1. Criteria to identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Chairman, Managing Director or Functional Directors shall be as per Articles of Association of the Company.
2. The Company shall appoint or re-appoint any person as its Chairman, Managing Director or Functional Directors as per the Articles of Association of the Company and pursuant to the provisions of the Companies Act, 2013.
3. Criteria to identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as KMP or at Senior Management level shall be as per HR policy and pursuant to Companies Act, 2013. The Committee shall recommend to the Board his / her appointment.
4. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient/satisfactory for the concerned position.
5. The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director/Manager who has attained the age of superannuation as per the applicable rules and policy, if any. Provided that the term of the person holding this position may be extended beyond the age of superannuation as per applicable rules and policy, if any read with Companies Act, 2013.

#### Term / Tenure:

1. The Company shall appoint or re-appoint any person as its Chairman, Managing Director or Executive Director as per the Articles of Association of the Company and pursuant to the provisions of the Act.
2. Independent Director: - An Independent Director shall be appointed / re-appointed in the manner as specified under relevant laws.
3. The Company shall appoint KMPs i.e. Company Secretary, Chief Financial Officer and Chief Executive Officer, if any, and senior management pursuant to the provisions of the Act and their tenure shall be subject to the Company's prevailing HR policy.
4. Evaluation: The performance evaluation of KMP's and Senior Management Personnel shall be done by their respective reporting heads based on the KRA's given to them at the beginning of the year.
5. Directors shall be evaluated on the basis of Financial Performance of the Company / any other criteria as may be given to them by the Board of Directors from time to time.
6. Removal: Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations or in accordance with the relevant clauses of Articles of Association of the Company, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management as per prevailing HR policy subject to the compliance of the said Act, rules and regulations.
7. Retirement: The Director, KMP and Senior Management shall retire as per Articles of Association of the Company in compliance with applicable provisions of the Companies Act, 2013 and prevailing policy of the Company.

#### **14. Provisions relating to remuneration of Managerial Person, KMP, and Senior Management**

##### Remuneration to Managerial Person, KMP and Senior Management:

1. The remuneration to KMP and Senior Management Personnel will be determined by the Committee in accordance with HR policy of the Company and in accordance with the provision of Companies Act, 2013.
2. The remuneration to Managerial Person, will be recommended to the Board for approval. The remuneration/compensation / commission etc. and any Increments to the existing remuneration/compensation structure shall be as per HR policy and in compliance with applicable provisions of the Companies Act, 2013. Increments will be effective from the date of reappointment in respect of Managerial Person.

##### Remuneration to Non-Executive/ Independent Director:

1. Remuneration: The remuneration shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.
2. Sitting Fees: The Non-Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof as provided in the Companies Act, 2013 and as may be decided by the Board.

#### **15. Minutes of Committee Meeting**

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

#### **16. Deviations From This Policy**

Deviations of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case. The Board shall have such authority to approve deviations on the recommendation of the Nomination and Remuneration Committee.

#### **17. Amendments to the policy**

The board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.