



**NOMINATION AND REMUNERATION POLICY  
OF  
JANA HOLDINGS LIMITED**

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## 1. Background and Objectives:

Section 134 of the Companies Act, 2013 ("the Act") stipulates that the Boards Report is required to include the company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and remuneration for KMP and other employees.

Further Section 178 of the Companies Act, 2013 ("the Act") and Regulation 19 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, require the Nomination and Remuneration Committee to formulate a policy relating to remuneration for the Directors, Key Managerial Personnel and other employees of the Company and recommend the same for approval of the Board.

Further, Regulation 19 read with Part D of Schedule II of the Listing Regulations, requires that the remuneration payable to Senior Management Personnel be recommended by the Nomination and Remuneration Committee to the Board.

This policy is framed in accordance with requirements of the Act, the Listing Regulations ("the Policy"). The Policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration/compensation, appointment, removal and evaluation of performance of the Directors, Senior Management Personnel ("SMP") / Key Managerial Personnel ("KMP") and other employees.

### The objectives of the Policy are:

- i. To guide the Board in relation to appointment and removal of Directors.
- ii. To formulate criteria for evaluation of Independent Directors and the Members of the Board, as and when applicable.
- iii. To evaluate the performance of the Members of the Board including Independent Directors.
- iv. To determine criteria for payment of remuneration/compensation to Directors, Senior Management Personnel /Key Managerial Personnel and other employees.
- v. To recommend to the Board remuneration/compensation payable to the Directors including SMP, and KMPs
- vi. To ensure relationship of remuneration/compensation to performance is clear and meets appropriate performance benchmarks.
- vii. To ensure that the quantum and composition of remuneration is reasonable and sufficient to attract talents from the market and can retain and motivate the employees to run the Company successfully.
- viii. To ensure that annual compensation review considers industry/ business outlook and strategies adopted by industry peers, differentiates employees based on their performance, skill sets, risks and responsibilities involved in the role, qualifications, commitment, knowledge in the relevant field in which they are functioning and to protect employees, particularly against inflationary pressures.
- ix. To retain and encourage high performers at all levels and those playing critical roles.

## 2. Definitions

**2.1 "Board of Directors"/"Board"** means the Board of Directors of Jana Capital Limited, as constituted from time to time.

**2.2 Company"** means Jana Holdings Limited.

**2.3 "Director"** means a director appointed to the Board of the Company.

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**2.4 “Key Managerial Personnel” means**

- (i) Chief Executive Officer or the Managing Director or the Manager;
- (ii) Company Secretary;
- (iii) Whole-time Director;
- (iv) Chief Financial Officer; and
- (v) such other officer as may be prescribed under the Companies Act, 2013.

**2.5 “Senior Management”/“SMP” means personnel of the Company who are members of its core management team excluding the Board of Directors, comprising all members of the management one level below the chief executive officer/managing director/whole time director/manager and shall specifically include company secretary and chief financial officer. The Committee shall have the right to designate a person as a SMP.**

Unless the context otherwise requires, words and expressions used in the Policy and not defined herein but defined in the Act and/or the Listing Regulations shall have the meaning assigned to them therein.

**3. Constitution of the “Nomination & Remuneration Committee:**

- 3.1** The Board has the power to constitute / reconstitute the Committee from time to time to make it consistent with Company’s policies and applicable statutory requirements. The composition of the Committee shall be in line with the requirements of the Act, Listing Regulations and RBI Regulations.
- 3.2** The Company Secretary of the Company shall act as the Secretary of the Committee.
- 3.3** Membership of the Committee shall be disclosed in the Annual Report.
- 3.4** The terms of the Committee shall remain unaltered unless modified by the Board of directors.

**4. Role of the Committee:****Roles of the NRC will be the following:**

- 4.1** To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal and shall carry out evaluation of every director’s performance.
- 4.2** To formulate criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees.
- 4.3** To recommend to the Board appointment of Chief Compliance Officer in compliance with RBI Regulations;
- 4.4** To formulate criteria for evaluation of Independent Directors and the Board.
- 4.5** To decide on the extension or continuation of the term of appointment of the Independent Director, based on fit and proper status of existing/ proposed directors by obtaining necessary information and declaration from them and undertake a process of due diligence to determine suitability of the person for appointment/continuing to hold appointment as Director on the Board based upon qualification, expertise, track record, integrity and other relevant factors. The process of due diligence should be undertaken at the time of initial appointment and prior to re-appointment
- 4.6** To decide, based on the information provided in the declaration, on the acceptance (and/or

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otherwise) and make references where considered necessary to the appropriate person/authority to ensure their compliance with the requirements indicated;

- 4.7** To obtain annual declaration confirming that the information already provided had not undergone change and if there is any change, requisite details would be furnished by the directors forthwith.
- 4.8** To focus on the evaluation of senior level employees their remuneration, promotion, etc. 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.

## **5. Frequency and Quorum of meetings:**

- 5.1** The meeting of the Committee shall be held at regular intervals as may be deemed appropriate with at least one meeting in a year.
- 5.2** The quorum for the Committee Meeting shall be either two members or one-third of the members of the Committee, whichever is greater, including at least one Independent Director in attendance.
- 5.3** The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

## **6. Conflict of interest of the Committee members:**

A member of the Committee is not entitled to participate in the discussions when his/her own remuneration is discussed at a meeting or when his/her performance is being evaluated.

## **7. Appointment of Directors/ Key Managerial / Senior Management personnel**

- i. The Committee shall identify and ascertain the integrity, professional qualification, areas of expertise and experience of the person, who is proposed to be appointed as a Director and appropriate recommendation shall be made to the Board with respect to his/her appointment to maintain balance, ensure effective functioning of the Board and ensure orderly succession planning. The Committee will consider the following while recommending to the Board the proposal relating to the appointment.
  - a) Leadership qualities
  - b) Industry knowledge and experience (as relevant)
  - c) Experience and exposure in policy shaping and industry advocacy
  - d) Understanding of relevant laws, rules, regulations and policies
  - e) Corporate governance
  - f) Financial expertise
  - g) Risk Management
  - h) Global experience/ International exposure
  - i) Information Technology
- ii. The Committee shall ensure that at least one of the Directors on the Board has relevant experience of having worked in a bank/NBFC.
- iii. Appointment of all Directors shall be subject to the provisions of the Act and rules thereunder, Listing Regulations, RBI regulations and other applicable regulations.
- iv. A person is required to possess adequate qualification, expertise and experience for the position he/she is considered for appointment.
- v. Appointment / re-appointment of Independent Directors shall be specifically subject to the provisions of Section 149 of the Act read with schedule IV and rules thereunder. Before appointment as an Independent Director, the Committee shall satisfy itself that the

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proposed person satisfies the criteria of independence as stipulated under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. The Committee shall ensure that no person shall be appointed or continue the directorship as a non-executive director who has attained the age of seventy-five years unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person. For every appointment of an Independent Director, the Committee shall evaluate the skills, knowledge and experience and based on such evaluation, prepare a description of the role and capabilities required of an Independent Director, if required. The person recommended to the Board for appointment as an Independent Director shall have the capabilities as identified. To identify suitable candidates, the Committee may:

- a) use the services of an external agencies, if required;
- b) consider candidates from a wide range of backgrounds, having due regard to diversity; and

consider the time commitments of the candidates

- vi. No person shall be eligible to be appointed as a Director, if he is subject to any disqualifications as stipulated under the Act or any other law(s) for the time being in force.
- vii. The appointment of Directors on the Board of a Company shall be subject to the recommendation made by the Committee. However, the decision of the Board with respect to the appointment of a Director shall be final.

Prior approval of the shareholders shall be obtained for the appointment or re-appointment of a Managing Director or a Whole-time Director, who was earlier rejected by the shareholders at a general meeting.

- viii. Approval of shareholders for appointment/ re-appointment of a Director will be taken at the next general meeting or within a period of three months from the date of appointment, whichever is earlier.
- ix. Appointment of Managing Director and Whole-time Director shall be subject to the provisions of Sections 196, 197, 198 and 203 of the Act read with Schedule V and rules there under, RBI regulations and such other applicable regulations. A person shall not occupy position as a Managing Director/Whole-time Director beyond the age of seventy years, unless his/her appointment is approved by a special resolution passed by the Company in general meeting. No re-appointment shall be made earlier than one year before the expiry of the term.
- x. The Company has framed a Code of Conduct for its Directors. The Directors must abide by the Code of Conduct and ensure compliance to the same.
- xi. The Committee shall identify and ascertain the integrity, professional qualification, areas of expertise and experience of the person, who is proposed to be appointed as a KMP or SMP and appropriate recommendation shall be made to the Board with respect to his/her appointment and ensure orderly succession planning.

## **8. Removal of Directors/ Key Managerial / Senior Management personnel:**

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions of the Companies Act, 2013, rules and regulations, RBI regulations and the policy of the Company.

## **9. Retirement of Directors/ Key Managerial / Senior Management personnel:**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have to retain the discretion the Director, KMP, Senior Management Personnel even after attaining the retirement age for the Company's benefit.

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## 10. Remuneration to Directors/KMP/Senior Management Personnel

### 10.1 Remuneration to Managing Director / Whole-time Directors:

- a) The Remuneration/ Compensation, etc., to be paid to Managing Director / Whole-time Directors shall be governed by the provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate about remuneration payable to Managing Director / Whole-time Director.

### 10.2 Remuneration to Non- Executive / Independent Directors:

- a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders.
- c) An Independent Director shall not be eligible to get Stock Options and shall not be eligible to participate in any share-based payment schemes meant for Directors/ Key Managerial Personnel.
- d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
  - i. The services are rendered by such Director in his capacity as a professional; and
  - ii. In the opinion of the Committee, the Director possesses the requisite qualification for the practice of that profession.

### 10.3 Remuneration to KMP or other Senior Management Personnel

The remuneration structure shall include the following components:

- (i) Basic Pay
- (ii) Perquisites and Allowances
- (iii) Retiral Benefits, if any
- (iv) Performance Linked Incentives/Annual Bonus as decided from time to time.

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#### **10.4 Remuneration to all employees including KMPs and Senior Management Personnel**

All employees shall be assigned grades/bands according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade/ bands and shall be based on various factors such as job profile, skill sets, seniority, experience, performance and prevailing remuneration levels for equivalent jobs.

#### **11. Term / Tenure**

**a) Managing Director/Whole-time Director:**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive 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.

**b) Independent Director:**

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 of such appointment in the Board's report. No Independent Director shall hold office for more than two consecutive terms of maximum of 5 years each, but such Independent Director 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.

#### **12. Evaluation**

**A. Board/Independent Directors/Non-Executive Directors/Executive Directors**

As per Section 178(2) of the Companies Act 2013, the Nomination and Remuneration Committee shall, with the approval of the Board, specify the criteria for effective evaluation of the performance of the Board, its committees and Individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. Accordingly, the Company has devised Criteria for Evaluation which stipulate the manner of evaluation of the performance of the Board, its committees and individual Directors.

**B. Senior Management Personnel /Key Management Personnel (other than Executive Director) / Employees:**

The objective of carrying out the evaluation by the Company is to identify and reward those with exceptional performances during a financial year.

The Managing Director and CEO of the Company shall initiate the process of evaluation of the aforementioned persons every year ending March 31st, with the department heads concerned/ Management. KPI shall be identified well in advance at the commencement of the financial year

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and the performance benchmark will be set by the respective reporting Manager(s)/Management/ department heads/Committee/as prescribed by law or regulator.

### 13. Removal

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions of the Companies Act, 2013, rules and regulations and the policy of the Company.

### 14. Retirement

The Director, KMP and Senior Management Personnel 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, KMP, Senior Management Personnel even after attaining the retirement age for the benefit of the Company.

### 15. Succession Planning:

The Committee will be responsible for overseeing the succession planning for the Board and Senior Management Personnel.

### 16. Retention Features as part of Compensation Package

Based on the organizational need for retaining performing employees and those in critical roles, certain retention features may be rolled out as part of the overall compensation package. These may take form of Retention Bonuses (RBs), Long-term Incentives (LTIs), etc.

### 17. Modification and Amendment

If at any point a conflict of interpretation / information between the Policy and any regulations, rules, guidelines, notification, clarifications, circulars, master circulars/ directions issued by relevant authorities ("Regulatory Provisions") arises, then interpretation of the Regulatory Provisions shall prevail.

The Board on its own and/or as per the recommendations of Nomination and Remuneration Committee can amend this policy, as deemed fit, from time to time.

In case of any amendment(s) and/or clarification(s) to the Regulatory Provisions, the Policy shall stand amended accordingly from the effective date specified as per the Regulatory Provisions..

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