



## **NOMINATION AND REMUNERATION POLICY**

(As amended by the Board on 5.11.2015)

*(Pursuant to section 178 of the Companies Act, 2013 and regulation 19(4) read with schedule II part D of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

The Nomination and Remuneration Policy of **Shreyans Financial & Capital Services Limited** (the "Company") is designed to attract, motivate and retain manpower in a competitive market. The policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.

The Nomination and Remuneration Policy applies to the Company's senior management, including its Key Managerial Personnel and Board of Directors.

***This Nomination and Remuneration Policy shall apply to all future employment agreements with members of Company's Senior Management including Key Managerial Person and Board of Directors.***

### **GUIDING PRINCIPLES**

The guiding principle is that the remuneration and the other terms of employment shall be competitive in order to ensure that the Company can attract and retain competent Executives.

- The Nomination and Remuneration policy for executives reflects the remuneration philosophy and principles of the Shreyans. When determining the remuneration policy and arrangements for Executive Directors/KMP's, the Nomination and Remuneration Committee shall consider pay and employment conditions with peers / elsewhere in the competitive market to ensure that pay structures are appropriately aligned and that levels of remuneration remain appropriate in this context.

- The Committee while designing the remuneration package considers the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate the person to ensure the quality required to run the company successfully.

- The Nomination and Remuneration Committee while considering a remuneration package must ensure a balanced approach reflecting short and long term performance objectives appropriate to the working of the company and its goals.

- The Committee shall consider that a successful remuneration policy must ensure that any increase in the remuneration package is linked to the achievement



of corporate performance targets and a strong alignment of interest with stakeholders.

### **REWARD PRINCIPLES AND OBJECTIVES**

Our Nomination and Remuneration policy is guided by a common reward framework and set of principles and objectives as particularly envisaged under section 178 of the Companies Act 2013, inter alia principles pertaining to determining qualifications, positives attributes, integrity and independence etc.

### **REWARD POLICIES**

**Attract and retain:** Remuneration packages are designed to attract high-caliber executives in a competitive market and remunerate executives fairly and responsibly. The remuneration shall be competitive and based on the individual responsibilities and performance.

**Motivate and reward:** Remuneration is designed to motivate delivery of our key business strategies, create a strong performance-orientated environment and reward achievement of meaningful targets over the short- and long-term.

### **EXECUTIVE REMUNERATION**

Executive remuneration shall be proposed by the Committee and subsequently approved by the Board of Directors. Executive remuneration is evaluated annually against performance and a benchmark of other companies, which in size and complexity are similar to Shreyans. Benchmark information is obtained from recognized compensation service consultancies/other relevant sources. In determining packages of remuneration, the Committee may consult with the Chairman/ Managing Director as appropriate. Total remuneration shall be comprised as follows:

- **A fixed base salary**, set at a level aimed at attracting and retaining executives with professional and personal competences required to drive the Company's performance.
- **Performance incentives (if allowed by employment contract)**, based on the achievement of a number of individual, pre- defined financial and strategic business targets recommended by the Committee and approved by the Board of Directors/shareholders as may be required.
- **Pension contributions**, made in accordance with applicable laws and



employment agreements.

- **Severance payments** in accordance with termination clauses in employment agreements, if any. Severance payments shall comply with legal framework.

#### **DISCLOSURE OF INFORMATION**

Information on the total remuneration of members of the Company's Board of Directors and KMPs shall be disclosed in the Company's Annual Report.

#### **LOAN TO EMPLOYEES (EXCEPT DIRECTOR/KMP'S)**

The Company may grant any advance salary/loan to employees of the Company at concessional/NIL interest rates as it deems fit.

#### **DELEGATION OF AUTHORITY**

The Board may delegate the appointment and remuneration powers in case of Sr. Management Personnel (except KMPs and Directors) to the Managing Director by way of Board Resolution.

#### **REFERENCE OF NOMINATION AND REMUNERATION POLICY**

The appointment letters of all Sr. Management Personnel, KMPs and Directors shall draw reference to the fact that the appointment and remuneration is in accordance with the Nomination and Remuneration Policy of the Company.

#### **APPROVAL OF THE REMUNERATION POLICY**

The Remuneration Policy is binding for the Board of Directors. The Remuneration Policy shall be of guidance for the Board. Any departure from the policy shall be recorded and reasoned in the Board's minutes.