



INDITRADE CAPITAL LIMITED

Regd Office: Second Floor, M E S Building, Kaloor, Kochi Ernakulam Kerala 682017

NOMINATION AND REMUNERATION POLICY

I. INTRODUCTION

This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee to align the objectives and goals of the Company with the requirements of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time-to-time) ('Listing Regulations').

II. DEFINITIONS

"Board" means Board of Directors of the company.

"Company" means Inditrade Capital Limited

"Employees' stock option" means the option given to the directors, officers or employees of a company or of its holding company or subsidiary company or companies, if any, which gives such directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares of the company at a future date at a pre-determined price.

"Independent Director" means a director referred to in Section 149(6) of the Companies Act, 2013.

"Key Managerial Personnel" (KMP) shall have the same meaning as in Section 2 (51) of the Companies Act, 2013.

"Nomination and Remuneration Committee" shall mean a Committee of the Board of Directors of the Company constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

" Policy" means Nomination and Remuneration Policy.

"Senior Management" means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

III. INTERPRETATION

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013 and Listing Regulations as amended from time to time.

IV. OBJECTIVES OF THE COMMITTEE

This Policy is intended to achieve the following objectives:

a) to ensure compliance with Section 178 of the Act and provisions of the SEBI (Listing Obligations and

Disclosure Requirements) Regulations, 2015 and to lay down a framework in relation to remuneration of Directors, KMP and Senior Management of the Company.

b) to lay down criteria for recommending the appointment and removal of Directors, Key Managerial Personnel and Senior Management.

c) To provide framework for remuneration of the Directors, Key Managerial Personnel Senior Management Personnel and align with the Company's business strategies, values, key priorities and goals.

d) To lay down approach for Board diversity.

V. MEMBERSHIP

a) The Committee shall comprise at least three (3) Directors, all of whom shall be non-executive Directors and at least fifty percent shall be Independent Directors.

b) The Board shall reconstitute the Committee as and when required to comply with the provisions of the Companies Act, 2013 and any other applicable statutory requirement.

c) Minimum two (2) members shall constitute a quorum for the Committee meeting.

d) Membership of the Committee shall be disclosed in the Annual Report.

VI. CHAIRMAN

a) Chairman of the Committee shall be an Independent Director.

b) Chairperson of the Company may be appointed as a member of the Committee but shall not Chair the Committee.

c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.

VII. VOTING

a) 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.

b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

VIII. APPLICABILITY

The Policy is applicable to Directors (Executive and Non Executive), Key Managerial Personnel and Senior Management Personnel.

IX. APPOINTMENT AND REMOVAL OF DIRECTORS, KMP AND SENIOR MANAGEMENT

Appointment Criteria and qualifications and Independence of Directors:

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person to be appointed as Director, KMP or at Senior Management level and recommend to the Board his/ her appointment.
2. A person should possess adequate qualification, expertise and experience for the position he/ she is considered for appointment. The Committee has the discretion to decide whether qualification, expertise and experience possessed by a person are sufficient/ satisfactory for the concerned position.
3. 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 seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy 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 seventy years.
4. An Independent Director should meet with requirements of the Act read with Schedule IV of the Act and provisions of the Listing Regulations.
5. An Independent Director shall hold office for a term upto 5 consecutive years and will be eligible for re-appointment on passing of a special resolution by the Company and following the procedure under the Act / Listing Regulations.
6. No Independent Director shall hold office for more than two consecutive terms of maximum 5 years each. In the event the same person is to be appointed as an Independent Director after two consecutive terms of two years, a cooling period of 3 years is required to be fulfilled.

Criteria for appointment of KMP / Senior Management Personnel and performance evaluation

1. The appointment of KMP and Senior Management shall be approved by the Board on prior recommendation of the Nomination and Remuneration Committee.
2. The Company shall appoint or reappoint any person as its managing director, whole-time director or manager for a term not exceeding five years at a time. No reappointment shall be made earlier than one year before the expiry of the term.
3. The KMP and Senior Management shall have a well-defined appraisal and performance evaluation framework.

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, 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.

Retirement:

The Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

X. PROVISIONS RELATING TO REMUNERATION

GENERAL:

- The remuneration/ compensation/ commission etc to Managerial Person, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration/ compensation/ commission shall be subject to the prior/ post approval of the shareholders of the Company and Central Government, wherever required.
- The remuneration and commission to be paid to Managerial Person shall be as per the statutory provisions of the Companies Act, 2013 and the rules made thereunder for the time being in force.
- Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved if any by the shareholders in the case of Managerial Person.
- Where any insurance is taken by the Company on behalf of its Managerial Person, KMP and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

Remuneration to Managerial Person, KMP and Senior Management:

- Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013 and the rules made thereunder for the time being in force.
- Remuneration to be paid to KMP and senior management in whatever form, whether at the time of appointment or during annual revisions shall be recommended by the Committee to the Board for its approval.

Remuneration to Non Executive/ Independent Director

- The remuneration/ commission shall be in accordance with the statutory provisions of the Companies Act, 2013 and the rules made thereunder for the time being in force.

- The Non Executive/ Independent Director may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013 as per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
- Remuneration/ Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

MINUTES OF THE 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/ Committee Meeting.

DEVIATION FROM THIS POLICY

Deviations on elements 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.

REVIEW AND AMENDMENT

This policy may be reviewed and amended by the Nomination and Remuneration Committee as and when required and any amendment thereto shall be presented before the Board for approval.

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 the Nomination and Remuneration Committee shall amend this Policy accordingly.
