

## **Nomination and Remuneration Policy**

[Pursuant to Sec. 178 of the Companies Act, 2013 & Regulation 19 of the SEBI (Listing Obligations and Disclosers) Regulations, 2015]

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The Board of Directors of Vishvprabha Ventures Limited (“Vishvprabha”) constituted the “Nomination and Remuneration Committee” consisting of Directors of which majority are Independent Directors. The said Committee has formulated this Nomination and Remuneration Policy which is applicable to Directors (Executive and Non-executive), Key Managerial Personnel and Senior Management Personnel.

### **1. Objective :-**

The Nomination and Remuneration Committee (“NRC”) and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of the SEBI (Listing Obligations and Disclosures) Regulations, 2015 amended from time to time. The Key Objectives of the Committee would be:

- 1.1. To identify persons who may be qualified to become directors and who may be appointed in senior management in accordance with the criterion which may be laid down;
- 1.2. To recommend to the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management;
- 1.3. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- 1.4. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- 1.5. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company’s operations.
- 1.6. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- 1.7. To devise a policy on Board diversity



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### 2. Definitions and Terms:-

- 2.1. “Act” or “the Act” means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- 2.2. “Board of Directors” or the “Board” shall have same meaning as defined under Section 2(10) of the Act.
- 2.3. “Director” shall have same meaning as defined under Section 2(34) of the Act.
- 2.4. “Key Managerial Personnel” or “KMP” shall have same meaning as defined under Section 2(51) of the Act which, *inter alia*, includes-
  - (i) the Chief Executive Officer or the managing director or the manager;
  - (ii) the Company Secretary;
  - (iii) the Whole-Time Director;
  - (iv) the Chief Financial Officer; and
  - (v) such other officer as may be prescribed under the applicable statutory provisions / regulations
- 2.5. “Senior Management” as explained under Section 178 of the Act mean personnel of the company who are members of its core management team excluding the Board of Directors comprising all members of management one level below the executive directors, including the functional heads.
- 2.6. “Listing Agreement” or “LA” means the Listing agreement entered into between the Company and the Stock Exchange on which the shares of the Company are listed.
- 2.7. “LODR” means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 and rules framed thereunder as amended from time to time.
- 2.8. “Independent Director” or “ID” shall have same meaning as assigned to it under the Act & LA.



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### **3. Role of Committee:-**

3.1 Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee

The Committee shall:

3.1.1. Formulate the criteria for determining qualifications, positive attributes and independence of a director.

3.1.2. Recommend to the Board a policy, relating to the remuneration for directors, key managerial personnel and other employees.

3.1.3. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.

3.1.4. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

3.1.5. Formulate the criterion for evaluation of Independent Directors and the Board.

3.1.6. Devise a policy on Board Diversity.

### **4. Membership :-**

4.1 The Committee shall consist of a minimum 3 non-executive directors and at least 50% of them shall be independent.

Provided that the chairperson of the listed entity, whether executive or non-executive may be appointed as a member of the Nomination and remuneration Committee and shall not chair such committee.

4.2 Minimum two members shall constitute a quorum for the Committee meeting.

4.3 Membership of the Committee shall be disclosed in the Annual Report.

4.4 Terms of the Committee shall be as per the decision taken in the meeting of the Board of Directors.



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**5. Chairperson :-**

- 5.1 Chairperson of the Committee shall be an Independent Director.
- 5.2 Chairperson of the Company may be appointed as a member of the Committee but shall not chair the Committee.
- 5.3 In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- 5.4 Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.



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**6. Frequency of Meetings :-**

Committee Meeting shall be held at such regular intervals as may be required.

**7. Committee Members' Interests :-**

7.1 A member of the Committee is not entitled to vote or express his or her opinion, unless asked, when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

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

**8. Secretary :**

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

**9. Voting :-**

9.1 Matters arising for determination at Committee meetings shall be decided by a majority of votes of committee members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

9.2 In the case of equality of votes, the Chairman of the meeting shall have a casting vote.

**10. Minutes of Committee Meeting:-**

Proceedings of all meetings must be prepared within the timeline as mentioned in the Companies Act 2013 also duly signed by the Chairman of the Committee at the subsequent meeting or according to the requirement of the law. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.



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Annexure A.

**Criteria for determining qualifications, positive attributes and independence of a director.**

**A. Appointment criteria and qualifications :-**

- A.1 The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- A.2 A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- A.3 The provisions of the Act and LODR should be adhered to while considering the appointment of a director or KMP or senior management personnel.

**B. Nomination Duties :-**

The duties of the Committee in relation to nomination matters include:

- B.1 Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- B.2 Ensuring that on appointment to the Board, Non-Executive Directors receives a formal letter of appointment in accordance with the Guidelines provided under the Act;
- B.3 Identifying and recommending directors who are to be put forward for retirement by rotation.
- B.4 Determining the appropriate size, diversity and composition of the Board;
- B.5 Setting a formal and transparent procedure for selecting new directors for appointment to the Board;
- B.6 Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;



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- B.6 Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective.
- B.7 Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contracts;
- B.8 Delegating any of its powers to one or more of its members or the Secretary of the \_\_\_\_\_ Committee;
- B.9 Recommend any necessary changes to the Board; and
- B.10 Considering any other matters, as may be requested by the Board.

**C. Tenure/Duration/Term**

The term or tenure of director or KMP or senior management personnel shall be in accordance with the applicable provisions of the Act or LODR or other applicable regulation. In compliance with the said laws, the term or tenure shall be as decided in the meeting of the Board of directors or members, as the case may be.

**D. Independence of Director (ID):-**

Appointment of IDs shall be in accordance with the provisions of the Act as well as LODR. Committee should check whether a person to be nominated or appointed as an ID meets the criterion of independence as prescribed under Sec. 149(6) of the Act and Regulation 16 (1) (b) of LODR.

While nominating any person to be appointed as an ID, the Committee should satisfy itself that the person gives a declaration as prescribed under the Act declaring that he/she meets the criterion of independence prescribed under the Act and LODR.



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**E. Removal:-**

Due to reasons for any disqualification mentioned in the Act or LODR 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 Personnel subject to the provisions and compliance of the said laws.

**F. 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 shall have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company in accordance with the applicable law.





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**Annexure B.**

**Policy relating to remuneration for directors, key managerial personnel and other employees.**

**A. Remuneration duties :-**

The duties of the Committee in relation to remuneration matters include:

- A.1 To consider and determine the Remuneration Policy, based on the performance and to ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate members of the Board of the quality required to run the Company successfully and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board
- A.2 To ensure that relationship of remuneration to performance is clear and meets appropriate performance benchmarks
- A.3 To ensure that the remuneration to directors, KMPs, and Senior Management Personnel of the Company 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.
- A.3 To delegate any of its powers to one or more of its members or the Secretary.
- A.4 To consider any other matters as may be requested by the Board.

**B. Remuneration for the Directors, KMP & Senior Management Personnel :-**

- B.1 The remuneration / compensation / commission etc. to Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval.
- B.2 The remuneration / compensation / commission etc. shall be in accordance with the provisions of the Act and LODR, if applicable, and the Articles of Association of the Company, and shall be subject to the prior/post approval of the shareholders of the Company and/or Central Government, wherever required under the law.



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- B.3 Increments to the existing remuneration/compensation structure may be recommended by the Committee to the Board in accordance with the law.
- B.4 Remuneration to Managing Director/ Whole-time Director shall also be in accordance with the agreement entered into with him
- B.5 Fixed pay : -  
The Director, KMP and Senior Management Personnel shall be eligible for monthly/yearly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and/or the Central Government, wherever required.
- B.6 Minimum Remuneration: -  
If circumstances demand, the Company may pay remuneration to its managerial personnel i.e. Managing Director or Whole-time Director or Manager in accordance with the provisions of Sec. 196, 197, Schedule V and other applicable provisions of the Act.
- B.7 Provisions for excess remuneration: -  
Remuneration drawn or received, directly or indirectly, in excess of the limits prescribed under the Act, shall be dealt with as prescribed under the Act.
- B.8 Sitting fee, reimbursement of expenses and profit related commission: -  
A director may receive remuneration by way of fee (sitting fee) for attending meetings of Board or Committee thereof as per Sec. 197(5) provided that the amount of such fee shall not exceed Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time. Such sitting fee to independent director and woman director shall not be less than sitting fee payable to other directors.



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Independent director may receive reimbursement of expenses for participation in the Board and other meetings and profit related commission as may be approved by the members.

**B.9 Stock Options:**

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



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**Annexure C**

**Framework for Performance Evaluation of Independent Directors, other Directors and the Board**

**Statutory Provisions:-**

**A. Review of Board Evaluation Framework :-**

In terms of Section 134 & 178 of Companies Act 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosures) Regulation 2015, the Board is required to monitor and review Board Evaluation Framework.

**B. Separate Meeting of independent directors & Performance Review of non-independent directors, the Board as a whole and Chairperson of the company:-**

Schedule IV of the Act and Regulation 25 of the LODR, *inter alia*, provide for atleast one separate meeting of independent directors in a year without the attendance of non-independent directors and members of management. The said meeting shall:-

- (a) review the performance of non-independent directors and the Board as a whole;
- (b) review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- (c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**C. Performance evaluation of independent directors & the Board:-**

Regulation 17 and 19 of LODR and Schedule IV of the Act, *inter alia*, provide that –

The Nomination and Remuneration Committee (the “NRC”) shall lay down the evaluation criteria for performance evaluation of Independent Directors.

The company shall disclose the criteria for performance evaluation, as laid down by the Nomination Committee, in its Annual Report.



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The performance evaluation of independent directors shall be done by the entire Board of Directors (excluding the director being evaluated).

On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

In terms of Section 134 of the Act, the Directors' Report should include a statement indicating a manner in which the Board has done formal annual evaluation of its own performance, performance of Committees and individual Directors of the Company.

**Framework of performance evaluation:-**

The Board of Directors of the Company is committed to assessing its own performance as a Board in order to identify its strengths and areas in which it may improve its functioning as well as get evaluated the performances of individual directors in sync with abovementioned provisions.

To that end, the Committee shall establish or change as and when required the process for evaluation of performance of Directors on the Board, Independent Directors, Members of various Committees and the Board itself as per the following:-

1. The Board will conduct a self-evaluation based on the criterion formulated by NRC at least once a year.
2. NRC shall formulate evaluation criteria for performance evaluation of Directors on the Board, Independent Directors, Members of various Committees which may be formulated after taking into consideration the criteria such as knowledge to perform the role, time and level of participation, performance of duties, professional conduct and independence or other things as may be decided.
3. NRC shall formulate evaluation criteria for performance evaluation of the Board which may be broadly based on the performance on the basis of functions & responsibilities of the Board and overall performance.
4. The manner and method of evaluation shall be decided by the Board, NRC as the case may be.



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**Annexure D**

**Policy on Board diversity:-**

- a) NRC should take into consideration the areas of expertise of all directors, KMP and senior management personnel. After taking into consideration the field or sector of business in which the Company operates, NRC should ensure that members of the Board, KMPs and senior management personnel consist of people of varied knowledge and experience which will enable the Company to run its business most efficiently. Experts in the core area of business of the Company should represent the Board among other members.
- b) NRC should also ensure that the Company shall have an optimum combination of executive and non-executive directors on the Board as per the LODR and the Act. Requirements as to minimum number of independent directors and woman director on the Board should be met.
- c) In case of resignation / removal / death / casual vacancy of any director or KMP or senior management personnel, the vacancy should be filled as early as possible to maintain the availability of proper and experienced personnel with the Company.

**For and on behalf of,  
Vishyprabha Ventures  
Limited**

**Mitesh J Thakkar  
Managing Director  
[DIN: 06480213]**

Date:  
Place: Dombivli, Thane