

CREATIVE INTRA LIMITED

NOMINATION AND REMUNERATION COMMITTEE POLICY

1. INTRODUCTION

The Company considers human resources as its invaluable assets. This policy on nomination and remuneration of Directors, Key Managerial Personnel (KMPs) has been formulated in terms of the provisions of the Companies Act, 2013 in order to pay equitable remuneration to the Directors and KMPs and to harmonize the aspirations of human resources consistent with the goals of the Company.

2. DEFINITIONS

'Board' means Board of Directors of the Company.

'Directors' means Directors of the Company.

'Committee' means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.

'Company' means Creative Intra Limited

'Independent Director' means a Director referred to in Section 149(6) of the Companies Act, 2013 and rules.

'Key Managerial Personnel (KMP)' means-

- i) The Managing Director or the Chief Executive Officer or the Manager and in their absence, a Whole-time Director;
- ii) The Company Secretary; and
- iii) The Chief Financial Officer

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

3. CONSTITUTION OF THE NOMINATION AND REMUNERATION COMMITTEE

The Board has the power to constitute / reconstitute the Committee from time to time in order to make it consistent with applicable statutory requirements. At present, the Nomination and Remuneration Committee of the Company comprises of the following members:

- a) Mr. Timir Sengupta, Chairman, Independent Director
- b) Mr. Krishan Kumar, Independent Director
- c) Mr. Lakhwinder Kumar Aggarwal, Independent Director

The terms of the Committee shall be continued unless terminated by the Board of Directors.

4. OBJECTIVE AND PURPOSE OF THE POLICY

The objectives and purpose of this policy are:

- ✓ To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Executive and Non-Executive) and recommend to the Board policies relating to the remuneration of the Directors and Key Managerial Personnel;
- ✓ To evaluate the performance of the Members of the Board and provide necessary report to the Board for further evaluation;
- ✓ To devise a policy on Board diversity;

5. **MEETINGS**

- ✓ The meeting of the Committee shall be held at regular intervals as deemed fit and appropriate.
- ✓ The Company Secretary of the Company shall act as the Secretary of the Committee.
- ✓ The Nomination and Remuneration Committee shall set up a mechanism to carry out its functions, as deemed necessary for proper and expeditious execution.
- ✓ The Chairman of the Committee or in his absence any other member of the Committee authorized by him on his behalf shall attend general meetings of the Company.

6. **APPOINTMENT - CRITERIA & QUALIFICATIONS**

The Committee shall consider the standards of qualification, expertise and experience of the candidates for appointment as Director, Key Managerial Personnel and Senior Management and accordingly recommend to the Board his/her appointment.

A person to be appointed as Director and KMP 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 is sufficient / satisfactory for the concerned position.

❖ **Size and composition of the Board:**

Periodically reviewing the size and composition of the Board to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company as a whole;

❖ **Term / Tenure**

1. Managing Director / Whole-time Director

The Company shall appoint or re-appoint any person as its Managing Director and CEO or Whole-time 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.

2. 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, 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. However, if a person who has already served as an Independent Director for five years or more in the Company as on April 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for one more term of five years only.

❖ ***Performance Evaluation***

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval

❖ ***Removal***

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under 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 or KMP subject to the provisions and compliance of the said Act, rules and regulations.

❖ ***Retirement***

The Whole-time Directors and KMP 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 Whole-time Directors and KMP in the same position / remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company.

7. POLICY ON BOARD DIVERSITY

The Board of Directors shall comprise of Directors having expertise in different areas / fields like Finance, Sales and Marketing, Banking, Engineering, etc. or as may be considered appropriate. In designing the Board's composition, Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills and knowledge. The Board shall have at least one Board member who has accounting or related financial management expertise and at least one woman director.

8. REMUNERATION POLICY

a) Remuneration to director/Managing director/Whole-time Director/KMP

- The Remuneration/Compensation/commission etc. to directors will be determined by the Committee and recommended to the Board for approval

- The Remuneration/ Compensation/ Commission etc. to be paid to Director/Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

b) Remuneration to Non-Executive/Independent Director:

The Non-Executive Independent Director may receive remuneration/ compensation/ commission as per the provisions of the Companies Act, 2013. The amount of sitting fees shall be subject to limits as provided under the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

c) Remuneration to other Employees:

- Apart from the Directors, KMPs and Senior Management Personnel, the remuneration for rest of the employees is determined on the basis of the role and position of the individual employee, including professional experience, responsibility, job complexity and market conditions.
- The various remuneration components, basic salary, allowances, perquisites etc. may be combined to ensure an appropriate and balanced remuneration package.
- The annual increments to the remuneration paid to the employees shall be determined based on the appraisal carried out by the HODs of various departments. Decision on Annual Increments shall be made on the basis of this appraisal.

9. DUTIES OF THE COMMITTEE

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

- Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- Determining the appropriate size, diversity and composition of the Board;
- Setting a formal and transparent procedure for selecting new Directors for appointment to the Board
- 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 contract.
- Recommend any necessary changes to the Board; and
- to consider any other matters as may be requested by the Board.

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

- to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and

- motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- to consider any other matters as may be requested by the Board.

10. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be minutes and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

11. REVIEW AND AMENDMENT

The NRC or the Board may review the Policy as and when it deems necessary. This Policy may be amended or substituted by the NRC or by the Board as and when required and also by the Compliance Officer where there is any statutory changes necessitating the change in the policy. However, no such amendment or modification will be binding on the Directors and employees unless the same is communicated in the manner described as above.