

## **REPCO HOME FINANCE LIMITED**

### **NOMINATION AND REMUNERATION POLICY**

#### **1. Preamble**

As per the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company shall constitute Nomination and Remuneration Committee. Further, the Board shall have a policy on Nomination & Remuneration duly approved by them.

The Nomination and Remuneration Committee (NRC) of the Company has been duly constituted in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **2. Applicability**

This Policy covers the appointment, remuneration of Directors (Executive and Non-Executive), Key Managerial Personnel (KMP), Senior Management Personnel (SMP) and other employees of the Company and performance appraisal of the Directors.

#### **3. Composition of the Nomination & Remuneration Committee (NRC):**

- i. Minimum three directors
- ii. All members shall be non-executive directors
- iii. At least two-thirds of the directors shall be independent directors
- iv. The Chairperson shall be an independent director
- v. The Chairperson of the Company, whether executive or non-executive, may be appointed as a member of NRC and shall not chair such Committee
- vi. Company Secretary shall act as the Secretary to NRC
- vii. In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- viii. Quorum for the meeting shall be either two members or one-third of the members of the committee, whichever is greater, including atleast one independent director in attendance.
- ix. Chairperson of the NRC could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

#### **4. Role/responsibility/functions:**

The role of the Nomination and Remuneration committee shall be as specified as in Part D of the Schedule II of the SEBI (LODR) Regulations, 2015, and also those specified in section 178 of the Companies Act, 2013.

The role of NRC shall include:

- a. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees
- b. Formulate the criteria for evaluation of performance of independent directors and the board of directors
- c. 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 of directors their appointment and removal
- d. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- e. Recommend to the Board, all remuneration, in whatever form, payable to senior management
- f. Any other role or responsibility as may be prescribed under law from time to time as and when it becomes applicable
- g. Any other assignment as may be delegated by the Board from time to time

## **5. Appointment and removal of Director, KMP and SMP:**

### **5.1. Appointment criteria and qualification:**

- a. NRC shall consider the following factors for identifying the person who are qualified to becoming Director and who can be appointed as KMP, SMP:
  - i. NRC shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP, SMP and recommend to the Board his / her appointment
  - ii. Appointment of Independent Directors is also subject to compliance of provisions of section 149 of the Companies Act, 2013, read with Schedule IV and rules thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations stipulated under RBI guidelines. The Nomination and Remuneration Committee (NRC) shall evaluate the balance of skills, knowledge and their experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director.
- b. For the appointment of employees other than KMP and SMP, a person should possess adequate qualification, expertise and experience for the position he / she is considered for the appointment.

**5.2. 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 or any other reasonable ground, the Committee may recommend to the Board for removal of a Director, KMP subject to the provisions and compliance of the said Act, rules and regulations.

**5.3. Retirement:** The Directors shall retire as per the applicable provisions of the Act. The KMP, SMP and other employees shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company, as may be applicable.

**5.4. Term:** The term of the Directors including MD & CEO shall be governed as per the provisions of the Act and Rules made thereunder, as amended from time to time. The term of the KMP (other than the MD & CEO), SMP and other employees shall be governed by the prevailing HR policy of the Company.

## **6. Remuneration**

### **6.1 Remuneration for Non-Executive Directors**

- a . The Non-Executive Directors will be paid sitting fees (for attending the meetings of the Board and Committees) within regulatory limits and other engagement fees. The Chairman of the Board will be paid additional fees as chairing fees for Board/Committee meetings and other official engagements.
- b. The Non-Executive Directors will be eligible for re-imbusement of boarding, lodging and travelling expenses for attending the meetings of Board/Committees and other official engagements.

### **6.2 Remuneration for MD & CEO:**

The Remuneration of MD & CEO shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder. The remuneration includes salary, perquisites & allowance and performance incentive and stock options (as may be determined by the Board from time to time). The remuneration will be decided by the Board based on recommendation of the NRC, subject to the overall ceilings stipulated in Section 197 of the Companies Act, 2013.

### **6.3 Remuneration for KMP , SMP and other employees**

- a. The remuneration of the KMP, SMP would be as decided by the Board of Directors of the Company, based on the recommendation of the NRC, as per the HR policy of the Company and it includes salary, perquisites & allowance and performance incentive and stock options. The remuneration of employees other than KMP and SMP is decided by MD & CEO, as per the HR policy of the Company.
- b. When determining the remuneration for the KMP, SMP and other employees, the Company will take into account the market sector that it operates, business performance and the practices in other comparable Companies.

## **7. Annual Performance Evaluation:**

The evaluation of performance of Board, its committees and individual directors are done annually with the aim to improve the effectiveness of the Board and its committees and individual performances of the directors.

## **8. Board Diversity**

- i. The Company shall be committed to promote diversity on the Board and recognizes the importance and benefits of having a diverse Board.
- ii. The Company shall endeavour to ensure diversity on the Board through varied skills, experience and background, industry experience, gender, knowledge and other distinguishing qualities of the

members of the Board shall enhance the overall effectiveness of the Board and bring in valuable contribution to its business strategies, plans and future growth aspects.

- iii. The Company shall endeavour to have a Board with diverse background and experience in business, government, academics, technology and in areas that are relevant for its operations.

**9. Disclosure of Information**

Information on the total remuneration paid to the Company's Board of Directors and Key Managerial Personnel will be disclosed in the Company's annual financial statements as per applicable regulatory provisions.

**10. Dissemination**

The Company's Nomination and Remuneration Policy will be published on its website and the web address of the policy, if any, shall be disclosed in the Board's report.

**11. Policy Review:**

This policy shall be reviewed from time to time based on the business, operational or regulatory requirements of the company but not later than the 3 year from the date of the Board's approval. In case of any inconsistency between the policy and the applicable regulatory provision, the regulatory provision shall prevail.

<b>Department</b>	Secretarial Department
<b>Review date</b>	12 <sup>th</sup> February, 2025