

**XANDER FINANCE PRIVATE LIMITED (XFPL)  
NOMINATION AND REMUNERATION POLICY**

**Date of last review: Reviewed and approved in the Board Meeting held on March 27, 2024**

**1. PREFACE**

This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated in compliance with Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015 dated July 01, 2015 as amended from time to time, and issued by Reserve Bank of India and Section 178 of the Companies Act, 2013 to the extent applicable to the Company.

This policy shall act as guidelines on matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel and Senior Management.

The Policy has been approved by the Board of Directors at its meeting held on April 22, 2015 and shall be operational with immediate effect.

**2. DEFINITIONS:**

- **Board:** Board means Board of Directors of the Company.
- **Director:** Directors means Directors of the Company.
- **Committee:** Committee means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, from time to time.
- **Company:** Company means Xander Finance Private Limited
- **Key Managerial Personnel:** Key Managerial Personnel (KMP) means-
  - (i) the Chief Executive Officer or the managing director or the manager;
  - (ii) the whole –time Director;
  - (iii) the Chief Financial Officer;
  - (iv) the Company Secretary; and
  - (v) Such other officer may be prescribed under applicable statutory provisions / regulations
- **Senior Management:** The expression "senior management" means personnel of the company who are members of its core management team excluding Board of Directors.

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. POLICY OBJECTIVE**

The primary objective of the Policy is to provide a framework and set standards for the nomination, remuneration and performance evaluation of the Directors, Key Managerial Personnel and other senior management personnel. The Company aims to achieve a balance of merit, experience and skills amongst its Directors, Key Managerial Personnel and Senior Management.

The Committee shall perform the following functions:

- a. To guide the Board in relation to the appointment and changes in Directors, Key Managerial Personnel and Senior Management;
- b. 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;
- c. To evaluate the performance of the Members of the Board and provide necessary report to the Board for further evaluation;
- d. To decide and approve remuneration payable to the Directors, Key Managerial Personnel and Senior Management;
- e. To develop a succession plan for the Board and to regularly review the plan;
- f. To determine remuneration based on Company's financial position, trends and practices on remuneration prevailing in the industry;
- g. To retain, motivate and promote talent and to ensure long term sustainability of KMPs & Senior Management Personnel and create competitive advantage; and
- h. Consider any other matters as may be requested by the Board.

### **4. 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 XFPL policies and applicable statutory requirements. The committee shall consist of three or more directors at any point in time.

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

## **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 setup a mechanism to carry out its functions, any /all of its powers to any of the Executive / Whole-time Directors and/or Senior Management of the Company, as deemed necessary for proper and expeditious execution.

The members of the Committee present at the meeting shall choose one amongst them to act as Chairman.

Any of the members 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.

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

## **6. APPLICABILITY & ACCOUNTABILITIES:**

The Policy is applicable to

- Directors (Executive and Non-Executive)
- Key Managerial personnel
- Senior Management personnel

The Board is ultimately responsible for the appointment of Directors, Key Managerial Personnel and Senior Management Personnel.

The Board has delegated responsibility for assessing and selecting the candidates for the role of Directors, Key Managerial Personnel and the Senior Management of the Company to the Nomination and Remuneration Committee which makes recommendations and nominations to the Board.

The Nomination and Remuneration Committee is responsible for:

- Reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy, with the objective to diversify the Board.
- Recommending to the Board on the selection of individuals nominated for directorship after considering the standards of qualification, expertise and experience of the candidates.

- Identifying individuals suitably qualified to be appointed as the KMPs or in the senior management of the Company.
- Making recommendations to the Board on the remuneration payable to the Directors/ KMPs/Senior Officials so appointed/reappointed.
- Assessing the independence of independent directors, if any.
- Such other key issues/matters as may be referred by the Board or as may be necessary in view of the Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015 and provision of the Companies Act 2013 and Rules thereunder to the extent applicable to the Company
- to make 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 Whole-time Director as an employee of the Company subject to the provision of the law and their service contract;
- Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

#### **7. COMMITTEE MEMBERS' INTERESTS:**

A member of the Committee is not entitled to participate in the discussions when his/her own remuneration is discussed at a meeting or when his /her performance is being evaluated.

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

#### **8. VOTING:**

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.

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

**9. REVIEW AND AMENDMENT TO THE POLICY**

This policy needs to be reviewed by the Board of Directors on an annual basis.

The Board of Directors on its own and/or as per the recommendations of Nomination and Remuneration Committee can amend this policy, as deemed fit from time to time.

<b>Particulars</b>	<b>Date of adoption/ review/ revision</b>
Adoption	22 <sup>nd</sup> April 2015
Review	18 <sup>th</sup> March 2016
Revision	7 <sup>th</sup> November 2016
Review	28 <sup>th</sup> March 2017
Review	23 <sup>rd</sup> March 2018
Review	18 <sup>th</sup> March, 2019
Review	11 <sup>th</sup> March, 2020
Review	23 <sup>rd</sup> March, 2021
Review	10 <sup>th</sup> February, 2022
Review	31 <sup>st</sup> March, 2023
Review	27 <sup>th</sup> March, 2024