



## **OLYMPIC MANAGEMENT AND FINANCIAL SERVICES LIMITED**

### **Nomination, Remuneration & Board Diversity Policy**

#### **1. PREFACE:**

This Nomination, Remuneration & Board Diversity Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 (“Act”) read along with the applicable rules thereto and SEBI (Listing Obligations & Disclosure Requirements), 2015 (“Listing Regulations”)(as amended from time to time). This policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management & Board Diversity has been formulated by the Nomination and Remuneration (NRC or the Committee) and has been approved by the Board of Directors.

#### **2. DEFINITIONS:**

Directors which includes Whole Time or Executive Directors and Non-Executive or Independent Directors.

“Board” means Board of Directors of the Company as constituted from time to time.

“Independent Director” means a director referred to in Section 149(6) of the Act, as amended from time to time. Key Managerial Personnel/KMP shall mean “Key Managerial Personnel” as defined in Section 2(51) of the Act.

“Committee” means Nomination and Remuneration Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Act.

“Senior Management” means officers/personnel of the Company who are members of its core management team excluding Board of Directors and shall comprise all members of management one level below the Chief Executive Officer/Managing Director/Whole Time Director/Manager (including the Chief Executive Officer/Manager, in case they are not part of the Board) and shall specifically include Company Secretary and Chief Financial Officer.

“Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income Tax, 1961.

Words and expressions used and not defined in this Policy, but defined in the Act or any rules framed under the Act or the Securities and Exchange Board of India Act, 1992 and Rules and Regulations framed thereunder or in the Listing Regulations or the Accounting Standards shall have the meanings assigned to them in these regulations.



### **3. AIMS AND OBJECTIVES:**

This policy is intended to ensure that:

- All Directors and Executives of the Company are recognized and rewarded for their performance in a fair and equitable manner;
- To ensure that remuneration paid to Directors and Executives is competitive, enabling the Company to attract and retain employees capable of meeting the Company's needs and service delivery obligations; and
- To reward Directors and Executives for achieving pre-determined Company, Departmental as well as personal/individual performance targets and goals.

### **4. APPLICATION OF THIS POLICY:**

This Policy is applicable to:

- i) Directors (Executive and Non-Executive)
- ii) Key Managerial Personnel
- iii) Senior Management
- iv) Other Employees.

### **5. GENERAL POLICY STATEMENT:**

The role of the Committee shall, inter-alia, include the following:

- i) To formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other Employees;
- ii) To formulate criteria for evaluation of Independent Directors and the Board;
- iii) To devise a policy on Board diversity;
- iv) To 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 their appointment and removal.
- v) To decide 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.



- vi) To recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

The Nomination and Remuneration Committee shall ensure that –

(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

(b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(c) remuneration to Directors, Key Managerial Personnel and Senior Management 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.

## **6. Appointment and Removal of Director, Key Management Personnel (“KMP”) and Senior Management**

### **6.1 Appointment criteria and qualification:**

- i) 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 as per Company’s Policy.
- ii) 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 is sufficient/ satisfactory for the concerned position.
- iii) Appointment of Independent Directors is subject compliance of provisions of Section 149 of the Act, read with schedule IV and rules there under.
- iv) The Company shall not appoint or continue the employment of any person as Managing Director, Whole-time Director and 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.

### **6.2 Term/ Tenure of Appointment**

- i) The Company shall appoint or re-appoint any person as its Executive Chairman or Managing Director or Executive Director or Whole Time Director or Manager 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.

- ii) An Independent Director shall hold office for such term which should not exceed a maximum of five consecutive years on the Board of the Company, as may be recommended by the Committee and approved by the Board and shareholders 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.
- iii) 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.

- iv) The maximum tenure of Independent Directors shall be in accordance with the Act and rules made thereunder.

### **6.3 Evaluation:**

The Committee shall carry out evaluation of performance of every Director. The Committee shall identify evaluation criteria which will evaluate Directors based on knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence. The appointment/re-appointment/continuation of Independent Directors on the Board shall be subject to the outcome of the yearly evaluation process.

### **6.4 Removal:**

Due to reasons for any disqualification mentioned in the Act, and 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, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.

### **6.5 Retirement:**

The Directors, KMP and Senior Management Staff shall retire as per the applicable provisions of the Act and as per provisions of the Articles of Association of the Company. The Committee may recommend to the Board for retention of any Director, KMP, Senior Management in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.



## **7. Provisions regarding payment of Remuneration, perquisites to the Managing Director/Whole-time Directors/Manager, Key Management Personnel (“KMP”) and Senior Management Personnel**

### **a. General Provisions**

- i. The remuneration/perquisites/commission etc. to be paid to the Managing Director/Whole-time Directors/Manager, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval.
- ii. The remuneration/perquisite/commission etc. shall be in accordance with the percentage/slabs / conditions laid down in the Act and shall be subject to approval of the Members of the Company, wherever required.
- iii. Increments to the existing remuneration/compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Members of the Company in the case of Managing Director/ Whole Time Director/Manager. The decision of the Committee as to increment shall be final.
- iv. Where any insurance is taken by the Company on behalf of its Managing Director, Whole-time Director, Manager, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying any of them against any liability in respect of a deed for which they may be held guilty in relation to the Company, 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.

### **b. Remuneration to the Managing Director/Whole-time Directors/Manager, Key Management Personnel (“KMP”) and Senior Management Personnel**

- i) The Managing Director/ Whole-time Director/Manager shall be eligible for remuneration as may be recommended by the Committee and approved by the Board of Directors and also Members of the Company, wherever required. The break-up of the pay scale, performance bonus/commission and quantum of perquisites including, employer’s contribution to P.F, pension scheme, medical expenses, club fees etc., if any, shall be decided and approved by the Board on the recommendation of the Committee and shall be within the overall remuneration approved by the Members wherever required.
- ii) If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director / Whole-time Director/Manager in accordance with the provisions of the Act and shall be subject to approval of the Members of the Company.



iii) If Managing Director/ Whole-time Director/Manager draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act without the prior approval of the Members of the Company, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

**c. Remuneration to Non Whole Time Directors (Including Independent Directors)  
Sitting Fees:**

- i) The Non Whole Time Directors (Including Independent Directors) of the Company shall be paid remuneration by way of sitting fees for attending Meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board. The amount of sitting fees shall not exceed the amount prescribed in the Act and the Rules made thereunder.
- ii) The Non-executive/Independent Directors of the Company may be paid profit-linked Commission within the monetary limit as may be recommended by the Board of Directors and approved by the Members of the Company.
- iii) Pursuant to the provisions of the Act, an Independent Director shall not be entitled to any stock option of the Company and shall not be eligible to participate in any share based payment schemes of the Company.
- iv) Any remuneration paid to Non-Executive /Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (ii) above if the following conditions are satisfied:
  - a) The Services are rendered by such Director in his capacity as the professional; and
  - b) In the opinion of the Committee, the Director possesses the requisite qualification for the practice of that profession.

**8. Board Diversity Policy**

- i) The Company acknowledges the importance of diversity within the Board and the Committee is fully committed to ensure that a transparent board nomination process is in place which is based on merit and that encourages diversity of thought, experience, background, knowledge, ethnicity, perspective, age and gender.
- ii) The Company recognizes that gender diversity is a significant aspect of diversity and acknowledges the role that woman with the right skills and experience can play in contributing to diversity of perspective in the Boardroom;



- iii) The Committee shall ensure that the Company has an appropriate blend of functional and industry expertise;
- iv) The Committee shall monitor and periodically review the Board Diversity and recommend to the Board so as to improve one or more aspects of its diversity and measure progress accordingly;

## **9. Amendments to the Policy**

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

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant Statutory 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 this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.