



Executive Centre India Limited

Nomination & Remuneration Policy

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1. Introduction

- 1.1. Pursuant to Section 178(3) of the Companies Act, 2013 (the “**Act**”) and Regulation 19(4) read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**SEBI Listing Regulations**”).
- 1.2. The Company has formulated a Nomination and Remuneration policy (the “**Policy**”) to formulate criteria to determine the qualifications, attributes and independence of Directors and recommend matters related to the remuneration of Directors, Senior Management, Key Managerial Personnel and other employees and to achieve adequate diversity on the Board of the Company.

2. Objective of the Policy

- 2.1. To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director and recommend to the Board of Directors, a policy relating to, the remuneration of the Directors, Key Managerial Personnel, Senior Management and other employees;
- 2.2. To formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors;
- 2.3. To devise a policy on Board diversity; and
- 2.4. To lay out remuneration principles for employees linked to their effort, performance and achievement relating to the Company’s goals.

3. Definitions

- 3.1. “**Act**” means the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time.
- 3.2. “**Applicable Laws**” means applicable provisions of the Act and the SEBI Listing Regulations.
- 3.3. “**Board**” means Board of Directors of the Company.
- 3.4. “**Committee**” means Nomination and Remuneration Committee of the Company as constituted by the Board.
- 3.5. ¹“**Company**” means Executive Centre India Limited
- 3.6. “**Independent Director**” means an independent director as defined under Section 2 (47) read with Section 149 (5) of the Act and Regulation 16(1)(b) of SEBI Listing Regulations.
- 3.7. “**Key Managerial Personnel (KMP)**” as defined in under Section 2(51) of the Companies Act, 2013.
- 3.8. “**Policy**” means Nomination and Remuneration Policy including amendments, if any made from time to time.
- 3.9. “**Remuneration**” mean²s any money or its equivalent given or passed to any person for services rendered by them and includes perquisites as defined under the Income- tax Act, 1961.
- 3.10. “**SEBI Listing Regulations**” means the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time.
- 3.11. “**Senior Management**” or “**Senior Management Personnel**” or “**SMP**” means as defined under Regulation 16 (1) (d) of the SEBI Listing Regulations.

¹ The name of the “Company” changed from “**Executive Centre India Private Limited**” to “**Executive Centre India Limited**” pursuant to conversion of the Company from a Private Limited company to a Public Limited company effective from 04 June 2025.

4. General

This Policy is divided in four parts:

- Part – A covers matters to be dealt with and recommended by the Committee to the Board;
- Part – B covers the appointment and nomination;
- Part – C covers the remuneration; and
- Part – D covers Familiarization Program for Independent Director.

5. Review of the Policy

- 5.1. This policy is framed based on the provisions of the Act and SEBI Listing Regulations.
- 5.2. In the event of any conflict between the Companies Act, 2013 or the SEBI Listing Regulations or any other statutory enactments and the provisions of this Policy, the Regulations shall prevail over this Policy and the provisions in the Policy would be modified in due course to make it consistent with law.
- 5.3. This policy shall be subject to review by the Committee as and when deemed appropriate. Any modifications to the Policy as recommended by the Committee shall be subject to the approval of the Board.

Part – A

Matters to be dealt with and recommended by the Committee to the Board

1. 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;

2. Directors

- 2.1. Formulate the criteria determining qualifications, positive attributes and independence of a Director and recommending candidates to the Board, when circumstances warrant the appointment of a new Director, having regard to the range of skills, experience and expertise, on the Board and who will best complement the Board;
- 2.2. To evaluate the balance of skills, knowledge and experience on the Board for every appointment of Independent Director and based on such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - use the services of an external agencies, if required;
 - consider candidates from a wide range of backgrounds, having due regard to diversity;
 - consider the time commitments of the candidates.

3. Succession plan

3.1. Succession Plan for the Board

- 3.1.1. The Committee shall assess and review the succession requirements for the Board and determine the suitability of every person who is being considered for being appointed or re-appointed as a Director of the Company based on his educational qualification, relevant experience, track record, reputation etc.
- 3.1.2. The proposed candidate shall be evaluated by the Committee in accordance with eligibility and proper criteria as per Applicable Laws, and thereafter such candidate shall be recommended to the Board for its consideration and approval.

3.2. Succession Plan for KMP and SMP

- 3.2.1. The Committee shall periodically review any vacancy / probable vacancy in the position of SMP which may arise on account of retirement, resignation, death, removal, transfer, business expansion, incapacity whether temporary or permanent or otherwise.
- 3.2.2. For KMP, the Committee shall in consultation with the Board Chairman evaluate the suitability of any person-based considerations such as educational qualification, experience, age, health, leadership qualities, suitability to external market requirement / expectation etc., and recommend his/ her candidature to the Board.
- 3.2.3. The Committee shall also identify the competency requirements of Board/key positions, assess potential candidates and develop required competency through planned development and learning initiatives. The Committee may utilize the services of professional search firms to assist in identifying and evaluating potential candidates.
- 3.2.4. In the event of any unexpected vacancy at SMP level, the next person as per the organization chart and hierarchy shall take interim charge of the position, pending a regular appointment in terms of the succession plan.

4. Evaluation of performance

- 4.1. Make recommendations to the Board on appropriate criteria for evaluation of performance of the Directors.
- 4.2. Identify training programs for the Board to provide adequate information regarding the business and its operations, the industry and their legal responsibilities and duties.
- 4.3. To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

5. Board diversity

- 5.1. The Board shall consist of such optimum number of Directors as per the requirements of the Act and SEBI Listing Regulations, including at least one women Independent Director.
- 5.2. The Committee shall assist the Board in ensuring Board nomination process with the diversity of gender, thought, experience, knowledge and perspective in the Board, in accordance with the Board Diversity policy which is as under:
 - 5.2.1. The Committee is responsible for reviewing and assessing the composition and performance of the Board, as well as identifying appropriately qualified persons to occupy Board positions.
 - 5.2.2. The Committee will lead the process for Board appointments and forward its recommendations to the Board. All Board appointments will be based on the skills, diverse experience, independence and knowledge which the Board requires to be effective. The Committee shall address Board vacancies by actively considering candidates that bring a diversity of background and industry experience or related expertise. The candidates will be considered against objective criteria having due regard to the benefits of diversity on the Board.
 - 5.2.3. Additionally, the Committee may consider appointment of experts from various specialized fields such as finance, law, information technology, corporate strategy, marketing, business development, international business, operations management or any other professional area, so as to bring diversified skill sets on Board or succeed any outgoing Director with the same expertise.
 - 5.2.4. While all appointments to the Board will continue to be made on merit, the Committee will consider the benefits of diversity (including but not limited to the attributes listed above) in identifying and recommending persons for Board membership, as well as in evaluating the Board and its individual members.

Further, the Committee will ensure that no person is discriminated against on grounds of religion, race, gender, pregnancy, childbirth or related medical conditions, national origin or ancestry, marital status, age, sexual orientation, or any other personal or physical attribute which does not speak to such person's ability to perform as a Board member.

Accordingly, the Committee shall:

- assess the appropriate mix of diversity, skills, experience and expertise required on the Board and assess the extent to which the required skills are represented on the Board,
- make recommendations to the Board in relation to appointments, and maintain an appropriate mix of diversity, skills, experience and expertise on the Board, and
- periodically review and report to the Board requirements, if any, in relation to diversity on the Board.

The Committee will review the Board Diversity Policy periodically and recommend appropriate revisions to the Board as Committee may deem fit.

Part – B

Appointment and removal of Director, KMPs and Senior Management

1. Appointment criteria and qualifications

- 1.1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or senior management level and recommend to the Board his / her appointment.
- 1.2. A person to be appointed as Director, KMP or senior management level 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.
- 1.3. A person, to be appointed as Director, should possess impeccable reputation for integrity, deep expertise and insights in sectors / areas relevant to the Company, ability to contribute to the Company's growth, complementary skills in relation to the other Board members.
- 1.4. A KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, KMP can be appointed as a Director in any Company, with the permission of the Board of Directors of the Company.
- 1.5. The Company shall not appoint or continue the employment of any person as Whole-Time Director/Managing Director/Manager who has attained the age of 70 (seventy) years. Provided that the term of the person holding this position may be extended beyond the age of 70 (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 70 (seventy) years.
- 1.6. The appointment or a re-appointment of a person, including as a managing director or a whole-time director or a manager, who was earlier rejected by the shareholders at a general meeting, shall be done only with the prior approval of the shareholders. Provided further that the statement referred to under sub-section (1) of section 102 of the Companies Act, 2013, annexed to the notice to the shareholders, for considering the appointment or re-appointment of such a person earlier rejected by the shareholders shall contain a detailed explanation and justification by the Committee and the Board for recommending such a person for appointment or re-appointment.
- 1.7. The Committee shall 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 executive Director as an employee of the Company subject to the provision of the law and their service contract.
- 1.8. The Committee shall ensure that there are appropriate induction and training programs in place for newly appointed Directors and KMPs.
- 1.9. The Committee shall recommend any necessary changes in the constitution of the Board, KMPs or senior management to the Board.

2. Term / Tenure

2.1. Managing Director / Whole-time Director

The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director for such terms as prescribed under the Companies Act, 2013 and other applicable laws and regulations.

2.2. Independent Director

2.2.1. 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.

2.2.2. 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

3. 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, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director, KMP or SMP, subject to the provisions and compliance of the said Act, rules and regulations.

4. Retirement

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

Part – C

Remuneration for Directors, KMPs and other employees

1. General

- 1.1. The remuneration / compensation / commission etc. to Directors will be determined by the Committee in accordance with the provisions of the Act and recommended to the Board for approval.
- 1.2. The remuneration and commission to be paid to the Managing Director/ Whole-time Directors/Executive Directors shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder.
- 1.3. Where any insurance is taken by the Company on behalf of its Managing Director, Whole-time Directors, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, 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.

2. Remuneration to KMPs and other employees

2.1. Fixed pay

The Committee would determine the remuneration of the Directors and formulate guidelines for remuneration payable to the KMPs, senior management personnel and other employees.

These guidelines are as under:

Annual remuneration

- Annual remuneration refers to the annual compensation payable to the employees of the Company. This comprises two parts – a fixed component, and a performance-linked variable component based on the extent of achievement of the individual's objectives and performance of the business unit. The performance-linked variable pay will be directly linked to the performance of individual components and the overall performance of the business.
- The objective is to set the total remuneration at levels to attract, motivate, and retain high-caliber, and high potential personnel in a competitive global market. The total remuneration level is to be reset annually based on a comparison with the relevant peer group globally, established through independent compensation surveys, from time to time.

3. Remuneration to Executive Director

- 3.1. The compensation paid to the executive directors (including Managing Director and /or Whole -time director(s)) will be within the scale approved by the shareholders. The elements of the total compensation, approved by the Committee will be within the overall limits specified under the Act.
- 3.2. The Committee will determine the annual variable pay compensation in the form of annual incentive and annual increment for the executive director based on Company's and individual's performance as against the pre-agreed objectives for the year.
- 3.3. The executive directors, except for a promoter director, will also be eligible for ESOPs as per the ESOP scheme in force from time to time. Grants under the ESOP scheme shall be approved by the Committee.
- 3.4. In case of inadequacy of profit in any financial year, the remuneration payable to the executive director shall be further subject to the relevant provisions of the Act.
- 3.5. Executive directors will not be paid sitting fees for any Board / committee meetings attended by them.
- 3.6. The remuneration payable by the Company to the executive directors shall be subject to the conditions specified in the Act and the SEBI Listing Regulations including in terms of monetary limits, approval requirements and disclosure requirements.

4. Remuneration to Non-Executive / Independent Directors

- 4.1. Non-Executive and Independent Directors (“NEDs”) will be paid remuneration by way of sitting fees and commission. The remuneration / commission / compensation to the NEDs will be determined by the Committee and recommended to the Board for its approval subject to the provisions of the Act.
- 4.2. The payment of the commission to the NEDs will be placed before the Board every year for its consideration and approval. The sitting fee payable to the NEDs for attending the Board and committee meetings will be fixed, subject to the statutory ceiling. The fee will be reviewed periodically and aligned to comparable best in class companies.
- 4.3. The commission payable to each Non-Executive Director may be revised from time to time, depending on individual contribution, the Company’s performance, and the provisions of the Companies Act, 2013 and the rules made thereunder.
- 4.4. The Independent Directors shall not be entitled to any stock option of the Company.

5. Interest of the Members

- 5.1. 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.
- 5.2. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

Part – D

Familiarization Programs

As per Regulation 25 (7) of the SEBI Listing Regulations, the Committee shall familiarize the Independent Directors through various programs about the Company, including the following:

- nature of the industry in which the Company operates;
- business model of the Company;
- roles, rights, responsibilities of Independent Directors; and
- any other relevant information.

1. Familiarization Process

The members of the Board of Directors have complete access to information within the Company. The Company from time to time updates the Board members about their roles and responsibilities in the following manner:

- 1.1. At the time of joining, an appointment letter is issued to the Independent Directors, which broadly outlines their statutory duties, roles, responsibilities as an Independent Director. The Independent Directors are also informed of the important policies of the Company including the Directors and Officers Liability and Company Insurance policy, Code of Conduct for Directors and Senior Management Personnel, Code of Conduct for Prevention of Insider Trading and obligations on disclosures.
- 1.2. At the time of inducting a newly appointed Director, including Independent Director, discussion are held by the Senior Executives of the Company including the Managing Director, Whole-time Director, CEO, CFO & Company Secretary to familiarize the Director with the business model, operational aspects, management structure and other information about the Company. The new inductee is also apprised on the ongoing discussions at the Board meetings to enable him/ her to effectively participate at the Board meetings.
- 1.3. The Company keeps all its Directors updated on the operations of the Company and key developments which may impact the Company, its performance and its human resources through presentations made at the meetings of Board or otherwise by the Managing Director of the Company from time to time. Such presentations, inter alia, include details of the industry in which company operates, performance of the Company, updates on products of the Company, Company plans and strategies budgets, risk management mechanism, investments, funds flows, operations of subsidiaries and associates, HR policies, management succession planning and such other information as may be required by them.
- 1.4. Business / Functional Heads and Company executives are invited at Board or Committee Meetings as and when required, to provide a platform for interaction with the Company's key executives with the Directors and also to enable them to better understand the business and operations of the Company.
- 1.5. The Board members are updated on various regulatory and other amendments and developments either by way of presentations by external experts /consultants or by internal experts. The Independent Directors were also given a detailed overview of the Act, SEBI Listing Regulations and Secretarial Standards notified by the Ministry of Corporate Affairs.

During every financial year, the Independent Directors and the Board of Directors cumulatively spend considerable time in activities relating to familiarization sessions.
