



# Gowra Leasing & Finance Limited

CIN: L65910TG1993PLC015349

**Regd. Office:** No.501, 5<sup>th</sup> Floor, Gowra Grand, Behind Gowra Plaza, 1-8-384 & 385, S.P. Road, Begumpet, Secunderabad – 500003 ■ Tel.040-27843086, 27843091 ■ Fax: 040-27816817

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## NOMINATION AND REMUNERATION POLICY

### 1. INTRODUCTION

Gowra Leasing & Finance Limited (GLFL) recognizes the importance of aligning the business objectives with specific and measurable individual objectives and targets. The Company has therefore formulated the remuneration policy for its Directors, Key Managerial Personnel and other employees keeping in view the following objectives:

- a) Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the company successfully.
- b) Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- c) Ensuring that remuneration 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.

### 2. SCOPE AND EXCLUSION:

This Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

### 3. TERMS AND REFERENCES:

In this Policy, the following terms shall have the following meanings:

**“Director”** means a director appointed to the Board of the Company.

**“Key Managerial Personnel”** means:

- (i) the Chief Executive Officer or the Managing Director or the manager;
- (ii) the Company Secretary;
- (iii) the Whole-Time Director;
- (iv) the Chief Financial Officer; and
- (v) such other officer as may be prescribed under the Companies Act, 2013

**“Nomination and Remuneration Committee”** means the committee constituted by GLFL Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and SEBI (LODR) Regulation, 2015.



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### **4. POLICY:**

#### **A. Criteria for Appointment of Non-Executive Directors & Independent Directors**

- a) The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of marketing, finance, taxation, law, governance and general management.
- b) In case of appointment of Independent Directors, the Nomination & Remuneration (N&R) Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- c) The N&R committee shall ensure that the candidate identified for appointment as a director is not disqualified for appointment under section 164 of the Companies Act 2013.
- d) In case of re-appointment of Non-Executive Directors & Independent Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

#### **Remuneration of Non-Executive Directors & Independent Directors**

- i. A Non-Executive Director & Independent Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 including any amendment or modification thereto as may be in force;
- ii. The Independent Directors of the Company shall not be entitled to participate in the Stock Option Scheme of the Company, if any, introduced by the Company.

#### **B. Criteria for Appointment of Executive Directors and Key Managerial Personnel (KMP)**

For the purpose of appointment of any Executive Director and Key Managerial Personnel (KMP), the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position. The Committee shall also ensure that the incumbent fulfils such other criteria as laid down under the Companies Act, 2013 read with Rules made there under or other applicable laws.



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### **Remuneration of Executive Directors & KMP**

- i. The Board, on the recommendation of the Nomination and Remuneration (N&R) Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits prescribed under Companies Act, 2013 including any statutory modification or amendment thereto as may be in force, subject to approval by the shareholders in General Meeting.
- ii. The Board, on the recommendation of the Nomination & Remuneration Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.
- iii. The remuneration of the Executive Directors and KMP may be broadly divided into fixed and variable components. The fixed component comprises salary, allowances, perquisites, amenities and retirement benefits. The variable component comprises performance bonus.

### **C. Remuneration to Other Employees:**

- i. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.
- ii. The remuneration maybe divided into two components viz. fixed component comprising salaries, perquisites and retirement benefits and a variable component comprising performance bonus.