

NOMINATION AND REMUNERATION POLICY

In accordance with provisions of Section 178 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014, as amended from time to time (“the Act”)



IndiaCast Media Distribution Private Limited

Nomination and Remuneration Policy (“**Policy**”) defines Company’s philosophy to consider Human Resources as its precious assets, to harmonies the aspirations of Human Resources consistent with the goal of the Company.

POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTOR'S INDEPENDENCE

1. INTRODUCTION

1.1 IndiaCast Media Distribution Private Limited (the “Company” or “IndiaCast”) believes that an enlightened board of Directors (“Board”) consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. Towards this, IndiaCast ensures constitution of a Board with an appropriate composition, size, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively.

1.2 IndiaCast recognizes the importance of Independent Directors in achieving the effectiveness of the Board. IndiaCast aims to have an optimum combination of Executive Directors, Non-Executive Directors and Independent Directors.

2. SCOPE AND PURPOSE:

2.1 This Policy sets out the guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as Independent Directors of the Company.

3. TERMS AND REFERENCES:

Unless defined elsewhere in this Policy, the following terms shall have the following meanings:

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

3.2. **“Nomination and Remuneration Committee”** means the committee constituted by IndiaCast’s Board in accordance with the provisions of Section 178 of the Companies Act, 2013.

3.3. **“Independent Director”** means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013.

4. POLICY:

4.1. Qualifications and Criteria

The Nomination and Remuneration Committee, and the Board, shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company’s operations.

In evaluating the suitability of individual Board members, the Nomination and Remuneration Committee shall take into account many factors, including the following:

- General understanding of the Company’s business dynamics, global business and social perspective;
- Educational and professional background;
- Standing in the profession;

- Personal and professional ethics, integrity and values; and
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

The proposed appointee shall also fulfill the following requirements:

- Shall possess a director's identification number or any other number as may be prescribed;
- Shall not be disqualified under the Companies Act, 2013;
- Shall give his written consent to act as a Director;
- Shall endeavour to attend all Board meetings and wherever he is appointed as a Board Committee ("Committee") member, the Committee meetings;
- Shall abide by the Code of Conduct established by the Company for Directors and senior management personnel;
- Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013 and other relevant laws.

The Nomination and Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

4.2. Criteria of Independence

The Nomination and Remuneration Committee shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.

The criteria of independence, as laid down in Companies Act, 2013:

An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director —

- who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;
(ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- who has or had no pecuniary relationship, other than remuneration as such director or having transaction not exceeding ten per cent. of his total income or such amount as may be prescribed, with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- none of whose relatives—
 - (i) is holding any security of or interest in the company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year: Provided that the relative may hold security or interest in the company of face value not exceeding fifty lakh rupees or two per cent. of the paid-up capital of the company, its holding, subsidiary or associate company or such higher sum as may be prescribed;

- (ii) is indebted to the company, its holding, subsidiary or associate company or their promoters, or directors, in excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;
 - (iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters, or directors of such holding company, for such amount as may be prescribed during the two immediately preceding financial years or during the current financial year; or
 - (iv) has any other pecuniary transaction or relationship with the company, or its subsidiary, or its holding or associate company amounting to two per cent. or more of its gross turnover or total income singly or in combination with the transactions referred to in sub-clause (i), (ii) or (iii);
- (e) who, neither himself nor any of his relatives—
- (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed; Provided that in case of a relative who is an employee, the restriction under this clause shall not apply for his employment during preceding three financial years.
 - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—
 - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;
 - (iii) holds together with his relatives two per cent. or more of the total voting power of the company; or
 - (iv) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives twenty-five per cent. or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the company;
 - (v) is a material supplier, service provider or customer or a lessor or lessee of the company.
- (f) shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company's business.
- (g) who possesses such other qualifications as may be prescribed from time to time, under the Companies Act, 2013.

The Independent Directors shall abide by the “Code for Independent Directors” as specified in Schedule IV to the Companies Act, 2013.

The above criteria shall stand modified pursuant to any change or modification in the applicable provisions of the Companies Act, 2013, any other applicable Statute, Rule and Regulation from time to time, or any re-enactment thereof for the time being in force.

4.3. Other Directorships / Committee Memberships

The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other public limited companies in such a way that it does not interfere with their role as directors of the Company. The Nomination and Remuneration Committee shall take into account the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

5. MAXIMUM NUMBER OF DIRECTORSHIPS/COMMITTEE POSITIONS:

A Director shall ensure that he complies with the requirement of number of Directorship and Membership/Chairmanship of Committees of Board where he is Director, which as per the Companies Act, 2013 are:

5.1 Directorships

- a) shall not serve as Director in more than 20 companies of which not more than 10 shall be public limited companies.
(For reckoning the limit of public companies, the directorship in private companies that are either holding or subsidiary company of a public company shall be included and directorship in a foreign company, Section-8 company and dormant company shall not be included)
- b) w.e.f. April 1, 2019, shall not serve as director in more than 8 equity listed entities (This number shall stand reduced to 7 w.e.f. April 1, 2020).
- c) shall not serve as Independent Director in more than 7 equity listed entities.
- d) shall not serve as Independent Director in more than 3 equity listed entities, if he is a whole-time director/managing director in any listed entity.

5.2 Committee Positions

A Director shall not be a member in more than 10 committees or act as chairman of more than 5 committees across all companies in which he holds directorships.

For the purpose of considering the limit of the committees, audit committee and stakeholders' relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 shall be excluded.

The above limits under para 5.1 & 5.2 shall stand modified pursuant to any change or modification in the applicable provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, any other applicable Statute, Rule and Regulation from time to time, or any re-enactment thereof for the time being in force.

AMENDMENTS

The Board may from time to time, make amendments to this Policy. The Policy shall stand modified pursuant to any amendment in applicable laws and / or regulations.

REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

1. Introduction

- 1.1.1 IndiaCast Media Distribution Private Limited (“IndiaCast” or the “Company”) 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 (“Policy”) keeping in view the following objectives:
- 1.1.2 Ensuring that 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;
- 1.1.3 Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks; and
- 1.1.4 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 Purpose:

- 2.1 This Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the board of Directors of the Company (“Board”) the remuneration of the Directors, Key Managerial Personnel and other employees of the Company.

3. Terms and References:

Unless defined elsewhere in this Policy, the following terms shall have the following meanings:

- 3.1 “**Director**” means a director appointed to the Board of the Company.
- 3.2 “**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
- 3.3 “**Nomination and Remuneration Committee**” means the committee constituted by IndiaCast’s Board in accordance with the provisions of Section 178 of the Companies Act, 2013.

4. Policy:

4.1 REMUNERATION TO EXECUTIVE DIRECTORS AND KEY MANAGERIAL PERSONNEL

4.1.1 The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the executive Directors (“Executive Directors”) within the overall limits approved by the shareholders of the Company.

The Board, on the recommendation of the Nomination and Remuneration Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.

The remuneration structure to the Executive Directors and Key Managerial Personnel may include the following components:

- (i) Basic pay
- (ii) Perquisites and allowances
- (iii) Stock options
- (iv) Commission (applicable in case of Executive Directors)
- (v) Retiral benefits
- (vi) Annual performance bonus
- (vii) Other perquisites / facilities (including loans/advances) as per the prevalent policies and practices of the Company

4.1.2 The Annual Plan and Objectives for senior executives and Executive Directors shall be reviewed by the Nomination and Remuneration Committee and the annual performance bonus will be approved by the Nomination and Remuneration Committee based on the achievements against the Annual Plan and Objectives.

4.2 REMUNERATION TO NON-EXECUTIVE DIRECTORS

The Board on the recommendation of the Nomination and Remuneration Committee shall review and approve the remuneration payable to the non-executive Directors (“Non-Executive Directors”) within the overall limits approved by the shareholders of the Company.

Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the committees thereof. The Non-Executive Directors may also be entitled to profit related commission in addition to the sitting fees, as may be decided by the shareholders of the Company, from time to time.

4.3 REMUNERATION TO OTHER EMPLOYEES

Employees are assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration is determined within the appropriate grade and is based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

Remuneration and other perquisites / facilities (including loans/advances) shall be governed by the prevalent policies and practices of the Company.