



CLIX HOUSING FINANCE LIMITED

NOMINATION AND REMUNERATION POLICY

VERSION 1.1

Approved by Board on April 27, 2023

Current Review Date: May 27, 2024

1. Introduction

The Nomination and Remuneration Policy (“Policy”) of the Company has been formulated in accordance with the provisions of Companies Act, 2013 and Housing Finance Directions issued by Reserve Bank of India and sets out the criteria to pay remuneration to the Directors, Key Managerial Personnel (KMP) and Senior Management Personnel of the Company.

2. Objective and Scope

The Key Objectives and scope of the Nomination & Remuneration Committee would be:

- a) To formulate the criteria for determining qualifications, positive attributes and independence for appointment and removal of a director
- b) To recommend to the Board a policy, relating to the remuneration for the directors, Key Managerial Personnel and Senior Management Personnel which involves a balance between the fixed and incentive pay reflecting short-term and long-term objectives appropriate to the working of the Company and its goals.

3. Definitions

‘Act’ means Companies Act, 2013 and rules thereunder.

“Board” means Board of Directors of the Company

‘Committee’ means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.

“Company” means Clix Housing Finance Limited

“Key Managerial Personnel” means Key managerial personnel as defined under the Companies Act, 2013 and includes:

- i. Managing Director or Executive Director or Chief Executive Officer or Manager
- ii. Whole-time Director;
- iii. Company Secretary;
- iv. Chief Financial Officer and
- v. such other officer as may be prescribed.

“Policy” means Nomination and Remuneration Policy.

“Senior Management” for the purpose of this Policy shall mean the officers and personnel who are members of its core management team, excluding the Board of Directors, and shall comprise of all functional heads (CXOs) by whatever name called who are one level below the Managing Director or Whole Time Director.

4. Functions of Committee:

The Nomination and Remuneration Committee shall, perform the functions as prescribed under the Act from time to time.

The Chairperson of the Nomination and Remuneration Committee or in his absence, any other member of the committee authorized by the Chairperson in this behalf shall attend the general meetings of the company.

Provided that Nomination and Remuneration Committee shall set up mechanism to carry out its functions and is further authorized to delegate any / all of its powers to any of the Directors and / or officers of the Company, as deemed necessary for proper and expeditious execution.

5. Constitution, Chairperson, quorum and frequency of meeting of Nomination & Remuneration Committee

The Constitution, Chairperson, quorum and frequency of meeting of Nomination & Remuneration Committee Shall be as stated in the Companies Act, 2013 and rules thereof as amended from time to time.

6. Secretary

The Company Secretary of the Company, if any, shall act as Secretary of the Committee.

7. Minutes of Committee Meeting

Proceedings of all meetings shall be recorded and signed by the Chairman of the Committee at the Subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meetings.

8. Policy for appointment and removal of Director, Key Managerial Personnel (“KMP”) and Senior Management Personnel (“SMP”)

(A) Appointment criteria and qualifications for Director, KMP and SMP

- a) The Committee shall identify and evaluate the balance of skills, knowledge, experience, integrity, qualification, expertise and positive attributes of the person for appointment as Director and recommend to the Board his / her appointment.

- b) The Committee shall will undertake the process of appointment, subject to the approval of Board, of KMP and/or SMP based on the roles and responsibilities of the position, the skill sets, attributes, seniority, experience and such other parameters required.

(B) Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director and/or the KMP subject to the provisions and compliance of the applicable Acts, rules and regulations. However, the decision to remove the SMP shall be taken by the Board.

9. Policy relating to the Remuneration (if any)

(A) Remuneration to Whole-time / Executive / Managing Director:

- a) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the provisions of the Act and the Rules framed thereunder.
- b) Term / Tenure of the Directors shall be as per company's policy and subject to the provisions of the Act.

(B) Remuneration to Non- Executive Director:

- a) Remuneration / Commission:

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Act. (if any)

- b) Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. (if any)

Provided that the amount of such fees shall be decided by the Board and subject to the limit as provided in the Act.

- c) Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act. (if any)

(C) Remuneration to Key Managerial Personnel and Senior Management Personnel:

The remuneration of KMP and SMP shall be determined by the management of the Company as per their roles and responsibilities in the organization, skill sets, seniority, experience, the last drawn remuneration and prevailing remuneration for equivalent jobs.

10. The 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 goal.

11. Amendments

This Policy may be amended by the board at any time and is subject to amendments to the Companies Act, 2013 (the Act, 2013).

12. Approval

The Policy shall be reviewed and approved by the Board annually.