

NOMINATION, REMUNERATION & EVALUATION POLICY RESONANCE EDUVENTURES LIMITED

(Pursuant to Section 178 of the Companies Act, 2013)

1. Preamble

Pursuant to Section 178 of the Companies Act, 2013 the Board of Directors (the “Board”) of Resonance Eduventures Limited (the “Company” or “REL”), has adopted the following policy and procedures with regard to appointment, remuneration and evaluation of performance of Directors and Key Managerial Personnel. The Board will review and may amend this policy from time to time.

This policy shall be applicable to the Company effective from date of approval of the Board i.e., 27th September, 2016.

2. Objective

The Key Objectives of the Committee would be:

- a) To guide the Board in relation to appointment and removal of Directors and Key Managerial Personnel.
- b) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation.
- c) To recommend to the Board on Remuneration payable to the Directors and Key Managerial Personnel.

3. Definitions

- a) “Board” means Board of Directors of the Company.
- b) “Company” means “Resonance Eduventures Limited”.
- c) “Independent Director” means a director referred to in Section 149 (6) of the Companies Act, 2013.
- d) “Key Managerial Personnel” (KMP) means
 - (i) Chief Executive Officer or the Managing Director or the Manager,
 - (ii) Company Secretary,
 - (iii) Whole-time Director,
 - (iv) Chief Financial Officer and
 - (v) Such other officer as may be prescribed.
- e) “Nomination and Remuneration Committee” shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement.
- f) “Policy or This Policy” means, “Nomination, Remuneration & Evaluation Policy.”
- g) “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 Act, 1961.

4. Role of the Committee

The role of the Committee inter alia will be the following:

- a) To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- b) Formulate criteria for evaluation of Independent Directors and the Board.
- c) Identify persons who are qualified to become Director/s and KMP in accordance with the criteria laid down in this policy.

- d) To carry out evaluation of every Director's performance.
- e) To recommend to the Board the appointment and removal of Directors.
- f) To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel.
- g) Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- h) To devise a policy on Board diversity, if and when required
- i) To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- j) To perform such other functions as may be necessary or appropriate for the performance of its duties.

5. Committee Members' Interests

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

6. Voting

- a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

7. Appointment and Removal of Director and KMP

➤ Appointment criteria and qualifications:

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director or KMP and recommend to the Board his / her appointment.
- b) 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 are sufficient / satisfactory for the concerned position.
- c) The Company may appoint any person as Managing Director/Whole-time Director/Manager who has attained the age of majority according to the law to which he is subject to, and who is of sound mind and is not disqualified. And may not appoint or continue the employment of any person as Managing Director/Whole-time Director/Manager who has attained the age of seventy years.
- d) It shall also ensure that Directors proposed to be appointed are not disqualified under any law. In case of Independent Director, it shall ensure that person proposed to be appointed meets the criteria of independence as laid down by the Companies Act, 2013 as amended from time to time.
- e) The appointment as recommended by the Nomination and Remuneration Committee further requires the approval of the Board.

➤ Term / Tenure

- a) *Managing Director/Whole-time Director/Manager (Managerial Person)*: - The Company shall appoint or re-appoint any person as its Managerial Person 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.
- b) *Independent Director*:- 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 reappointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

- 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. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on 1 October, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for one more term of 5 years only.

- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

➤ Evaluation

The Committee shall carry out evaluation of performance of every Director and KMP at regular intervals (yearly).

➤ 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 or KMP subject to the provisions and compliance of the said Act, rules and regulations.

➤ Retirement

The Director and KMP 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 Director, KMP in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

7.1. Provisions Relating to Remuneration payable to Managerial Person and KMP

- a) The remuneration/commission etc. to the Managing Director / Whole-time Director and KMP will be determined by the Committee and recommended to the Board for approval. The remuneration/commission etc. of the Directors shall be subject to the approval of the Shareholders of the Company and Central Government, wherever required as per the provisions of the Companies Act, 2013.
- b) Increments to the existing remuneration structure of Managing Director, Whole-time Director as recommended by the Committee can be approved by the Board. With regard to KMP, the Board shall approve the same based on the recommendation of the Committee.

7.2. Remuneration Structure of Managing Director/Whole Time Director and KMP

- a) Fixed pay:

Managerial Person and KMP shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

b) **Minimum Remuneration:**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.

c) **Provisions for excess remuneration:**

If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, 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.

8. Remuneration to Non-Executive / Independent Director/Nominee Director

a) If & any expenses incurred by Non-Executive / Independent Director/Nominee Director will be reimbursed such sums as fair compensation for travel, boarding and lodging and incidental or actual out of pocket expenses incurred by such Directors for attending Board or Committee Meetings.

b) Nomination and Remuneration committee may also recommend any such remuneration for Non-Executive / Independent Director/Nominee Director to the Board; further Board will have the discretion to it.

9. Criteria Formulated by Committee for Determining Qualifications, Positive Attributes, Independence of a Director

a) *Qualifications of Non-Independent Director:* A Non-Independent Director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the Company's business.

b) *Positive attributes of Non-Independent Directors:* A Non-Independent director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively, exercise his responsibilities in a bonafide manner in the interest of the company, devote sufficient time and attention to his obligations as Director, for informed and balanced decision making and assist the company in implementing the best Corporate governance practices.

c) *Independence of Independent Directors:* In addition to (a) and (b) above, an Independent Director shall meet the requirements of the Companies Act, 2013

10. Minutes of N&R Committee Meeting

Proceedings of all meetings must be recorded in minutes and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting. Minutes of the Committee meeting will be tabled at the subsequent Board and Committee meeting.

11. Implementation

- a) The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- b) The Committee may Delegate any of its powers to one or more of its members

12. Amendment in this Policy

The Nomination and Remuneration Committee will review and monitor from time to time the implementation of this Policy to ensure its effectiveness and may also recommend amendments, if any, to the Board for effectiveness of this Policy