

SUPREME HOUSING FINANCE LIMITED

NOMINATION AND REMUNERATION POLICY

PRIMARY OBJECTIVE

The primary objective of the Policy is to provide a framework and set standards for the Nomination, Remuneration and Evaluation of the Directors, Key Managerial Personnel and officials comprising the Senior Management.

The Company aims to achieve a balance of merit, experience and skills amongst its Directors, Key Managerial Personnel and Senior Management.

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto.

APPLICABILITY

This Policy is applicable to:

1. Directors viz. Executive, Non-executive and Independent;
2. Key Managerial Personnel
 - a. Managing Director, Chief Executive officer, Manager, Whole Time Director
 - b. Company Secretary
 - c. Chief Finance Officer
3. Other Senior Management Personnel;
4. Such other Employees of the Company as may be prescribed

ROLE OF 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) to recommend to the Board the appointment and removal of Senior Management;
- c) to carry out evaluation of Director's performance and recommend to the Board appointment / removal based on his / her performance;
- d) to recommend to the Board on (i) policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management and (ii) Executive Directors remuneration and incentive;
- e) to 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;
- f) ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks,
- g) to devise a policy on Board diversity;
- h) to develop a succession plan for the Board and to regularly review the plan;

NOMINATION DUTIES

The duties of the Committee in relation to nomination matters include:

- a) Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;

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- b) Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- c) Identifying and recommending Directors who are to be put forward for retirement by rotation.
- d) Determining the appropriate size, diversity and composition of the Board;
- e) Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- f) Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- g) Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- h) Making 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.
- i) Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- j) Recommend any necessary changes to the Board; and
- k) Considering any other matters, as may be requested by the Board.

REMUNERATION DUTIES

The duties of the Committee in relation to remuneration matters include:

- a) to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract, retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- b) to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- c) to delegate any of its powers to one or more of its members or the Secretary of the Committee.
- d) to consider any other matters as may be requested by the Board.
- e) Professional Indemnity and liability insurance for Directors and senior management.

MEMBERSHIP

- a) The Committee shall consist of a minimum 3 Non-Executive Directors, majority of them being Independent.
- b) Minimum two (2) members shall constitute a Quorum for the Committee meeting.
- c) Membership of the Committee shall be disclosed in the Annual Report.
- d) Term of the Committee shall be continued unless terminated by the Board of Directors.

COMMITTEE MEMBERS' INTERESTS

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.

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

Supreme Housing Finance Limited

Regd. Office: 2nd Floor Harsha Bhawan, 13/29, E-Block, Middle Circle, Connaught Place, New Delhi-110001,

Web: www.supremehomeloans.com, CIN: U67190DL2014PLC272457

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CHAIRPERSON

- a) Chairperson of the Committee shall be an Independent Director.
- b) Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairperson of the Committee.
- c) In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- d) Chairperson of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

SECRETARY

The Company Secretary of the Company if any shall act as Secretary of the Committee and in the absence of Company Secretary any member act as a Secretary of the Committee.

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.
- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be minutes 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 meeting.

AMENDMENT TO THE POLICY

The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under

this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

IMPLEMENTATION

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

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