

# **NOMINATION AND REMUNERATION POLICY**

**MEDI ASSIST HEALTHCARE SERVICES LIMITED**

<https://www.mediassist.in/>

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## NOMINATION AND REMUNERATION POLICY

### **1. Introduction:**

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 and other applicable rules thereunder as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors. This Policy shall apply to the Company and its subsidiaries.

### **2. Definitions:**

- a) "Act" means The Companies Act, 2013 and rules made thereunder, as amended from time to time.
- b) "Board" means the Board of Directors of Medi Assist Healthcare Services Limited.
- c) "Company" means Medi Assist Healthcare Services Limited and its subsidiaries.
- d) "Committee" means Nomination and Remuneration Committee of the Company as constituted by the Board from time to time.
- e) "Independent Director" means a Director referred to in Section 149 (6) of The Companies Act, 2013.
- f) "Key Managerial Personnel" means:
  - i) Managing Director, or Chief Executive Officer or Manager;
  - ii) Company Secretary;
  - iii) Chief Financial Officer;
  - iv) such other officer, not more than one level below the directors who is in

whole-time employment, designated as key managerial personnel by the Board; and

v) such other officer as may be prescribed.

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;

h) "Senior Management" means shall mean the officers and personnel of the listed entity who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer.

### **3. Constitution of the Nomination and Remuneration Committee:**

The Board has the power to constitute / reconstitute the Committee from time to time in order to make it consistent with Company's policies and applicable statutory requirements.

The Committee shall consist of three or more non-executive directors out of which at least two-thirds of the directors shall be independent directors provided that the Chairperson of the company (whether executive or non-executive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee. The Membership of the Committee shall be disclosed in the Annual Report.

### **4. Key objectives of the Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee shall be responsible for the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, Key Managerial Personnel and other employees.
2. The Nomination and Remuneration Committee, while formulating the above policy, should ensure that –
  - I. The level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
  - II. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - III. 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 goals.
3. For every appointment of an independent director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates;
4. Formulation of criteria for evaluation of independent directors and the Board.
5. Devising a policy on Board diversity.
6. Analysing, monitoring and reviewing various human resource and compensation matters.

7. Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors.
8. Determine compensation levels payable to the Senior Management and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component.
9. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws.
10. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance (including independent director).
11. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of directors;
12. Recommend to the board, all remuneration, in whatever form, payable to senior management.
13. Carrying out any other functions required to be undertaken by the Nomination and Remuneration Committee under applicable law.
14. Perform such functions as are required to be performed by the Nomination and Remuneration Committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2011, including the following:
  - a) administering the ESOP, 2013 (the "Plan");
  - b) determining the eligibility of employees to participate under the Plan;
  - c) granting options to eligible employees and determining the date of grant;
  - d) determining the number of options to be granted to an employee;
  - e) determining the exercise price under the Plan; and
  - f) construing and interpreting the Plan and any agreements defining the rights and obligations of the Company and eligible employees under the Plan, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the Plan.

15. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of directors.

**5. Appointment and Removal of Director, Key Managerial Personnel and Senior Management:**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, Key Managerial Personnel or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director or Managing Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

**6. Term/ Tenure:**

**a) Managing Director/Whole-time Director:**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director 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 re -appointment 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 of up to maximum of 5 years each, 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.

Independent Directors shall register themselves in the databank of Independent Directors in accordance with the provisions of Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019

Unless exempt, the Independent Directors shall pass the online proficiency self-assessment test as per the provisions of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019

#### **7. Evaluation:**

The Committee shall carry out evaluation of performance of Director, Key Managerial Personnel and Senior Management yearly or at such intervals as may be considered necessary.

#### **8. Removal:**

The Committee may recommend with reasons recorded in writing, removal of a Director, Key Managerial Personnel or Senior Management subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

## **9. Retirement:**

The Director, Key Managerial Personnel and Senior Management shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, Key Managerial Personnel and Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## **10. Board Diversity:**

We recognize the need to provide standards for having a diversified Board with ability to base its decisions and help to improve the performance of the organization significantly and for leveraging on the differences within the expertise of the Board, offering a broad range of perspectives that are directly relevant to the business.

The Board shall consist of such optimum combination of Executive, Non-Executive and Independent Directors (including one Independent Woman Director) in accordance with requirements of the Companies Act, SEBI Listing Regulations and other statutory, regulatory and contractual obligations of the Company.

The Committee will lead the process for Board appointments and forward its recommendations to the Board. All Board appointments will be based on the skills, diverse experience, independence and knowledge, which the Board as a whole requires to be effective. The Committee shall address Board vacancies by actively considering candidates that bring a diversity of background and industry experience or related expertise. The candidates will be considered against objective criteria having due regard to the benefits of diversity on the Board.

Further, for the appointment of Independent Directors, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an

independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may: a. use the services of an external agencies, if required; b. consider candidates from a wide range of backgrounds, having due regard to diversity; and c. consider the time commitments of the candidates.

Additionally, the Committee may consider appointment of experts from various specialized fields such as finance, law, information technology, corporate strategy, marketing, business development, international business, operations management or any other professional area, so as to bring diversified skill sets on Board or succeed any outgoing Director with the same expertise.

#### **11. Familiarisation Programme:**

In accordance with Regulation 25 (7) of the Regulations, the Committee shall familiarize the Independent Directors through various programs about the Company, including the following:

- a. nature of the industry in which the Company operates;
- b. business model of the Company;
- c. roles, rights, responsibilities of Independent Directors; and
- d. any other relevant information.

The Familiarization Programme comprises two segments –

- a) Familiarization upon induction of new Directors:
  - Inductee shall be provided with a copy of all the applicable codes and policies formulated and adopted by the Company.
  - An orientation on the Company's products, markets, customers and functions shall be provided.
  - Introduction to & interaction with certain key members of the senior management of the company.

- A detailed briefing to the inductee on the roles and responsibilities as Director / independent director
- Independent directors, in particular shall be provided an overview of the criteria of independence applicable to Independent Directors as per Listing Regulations and the Companies Act, 2013

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The Director is also explained in detail the compliances required from him/her under other relevant regulations and his/her affirmation taken with respect to the same. With a view to familiarize him/her with the Company's operations, the Chairman/Managing Director/CEO provides a one-to-one interaction on the organisational set up, the functioning of various divisions / departments, the Company's market share and the markets in which it operates, governance and internal control processes and other relevant information pertaining to the Company's business. The above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him/her to effectively fulfil his/her role as a Director of the Company.

b) Annual Familiarization Programme:

The Company shall on an annual basis brief its Directors inter alia about the Company's business model, shareholder profile, financial details, their roles, rights and responsibilities in the Company.

**12. Policy for Remuneration to Directors / Key Managerial Personnel / Senior Management:**

1) Remuneration to Managing Director / Whole-time Directors:

- a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

2) Remuneration to Non- Executive / Independent Directors:

- a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
  - b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) including any commission shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
  - c) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
    - i) The Services are rendered by such Director in his capacity as the professional; and
    - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.
  - d) The Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share-based payments to be made to Directors.
- 3) Remuneration to Key Managerial Personnel and Senior Management:
- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the

Company's Policy. The Company follows salary structure which includes Fixed Salary, Performance Linked Incentive and Retirals.

- b) The Fixed pay Basic salary, Dearness Allowance and other allowances.
- c) The Performance Linked Incentive pay shall be decided based on the balance between performance of the Company/Business and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate and as per the policy of the Company.
- d) The Retirals include Provident Fund and Gratuity. The Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.

**13. 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.

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 in this Policy and this Policy shall stand amended accordingly.

*This policy was approved by the Board of Directors of the Company on 29<sup>th</sup> April 2021 and amended on 24<sup>th</sup> March , 2023.*