

NOMINATION AND REMUNERATION POLICY OF CAPITAL TRUST LIMITED

A. Introduction

Capital Trust Limited believes in the manner of its affairs in a fair and transparent view by adopting the ethical behavior standards, integrity, and professionalism and in compliance of laws towards the society, government & its stakeholders.

In terms of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement (as amended from time to time), this policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company has been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors.

This policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees.

This Policy shall replace the existing policy and be effective from 27.05.2022.

B. Definitions

In this Policy unless the context otherwise requires

1. 'Act' means the Companies Act, 2013 and rules there under as amended from time to time;
2. 'Board', in relation to the Company, means the collective body of the directors of the Company;
3. 'Committee' means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board from time to time;
4. Company means Capital Trust Limited;
5. 'Directors' means Directors of the Company;
6. 'Independent Director' means a director referred to in Section 149 (6) of the Companies Act, 2013 read with clause 49 of the listing Agreement;
7. 'Key Managerial Personnel' (KMP) means:
 - a. Chief Executive Officer and / or Managing Director
 - b. Whole-time Director
 - c. Chief Financial Officer
 - d. Company Secretary
 - e. Such other officer as may be prescribed

8. 'Senior Management Personnel' means personnel of the Company comprising of all members of management one level below the executive directors including the functional heads. The designation and categories of such Personnel will be determined by the Company based on the functional and reporting structure.

9. 'Ministry' means the Ministry of Corporate Affairs;

The words and expressions used but not defined herein, but defined under the Companies Act, 2013 shall have the meaning assigned therein.

C. 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 applicable statutory requirements. At present, the Nomination and Remuneration Committee of the Company comprises of the following members:

1. Mr. Sanjiv Syal, Independent Director
2. Mr. Govind Saboo, Independent Director
3. Mr. Pawan Dubey, Independent Director
4. Mrs. Suman Kuktrety, Independent Director

The terms of the Committee shall be continued unless terminated by the Board of Directors.

D. Key Objectives of the Committee

- a) To guide the Board in relation to the appointment and changes in Directors, Key Managerial Personnel and Senior Management including appointment of in KMP and Senior Management positions;
- 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, Key Managerial Personnel and Senior Management;
- d) To develop a succession plan for the Board and to regularly review the plan;
- e) To determine remuneration based on Company's financial position, trends and practices on remuneration prevailing in the industry;
- f) To retain, motivate and promote talent and to ensure long term sustainability of talent including KMPs & Senior Management Personnel and create competitive advantage; and
- g) Consider any other matters as may be requested by the Board.

E. Appointment of Director, Key Managerial Personnel & Senior Management - Criteria & Qualification

The appointment of Director, Key Managerial Personnel and Senior Management will be based on the outcome of strategic planning. The recruitment process for selection to these categories of personnel commences after the approval of manpower requisitions by the appointing authority. Relevant approval of concerned is also obtained as part of the process, as deemed fit depending upon the level of hiring. The Committee shall consider the standards of qualification, expertise and experience of the candidate for appointment as Director, Key Managerial Personnel and Senior Management and accordingly recommend to the Board his/her appointment.

F. Meetings

The meeting of the Committee shall be held at regular intervals as deemed fit and appropriate. The Company Secretary of the Company shall act as the Secretary of the Committee. The Nomination and Remuneration Committee shall set up a mechanism to carry out its functions, any /all of its powers to any of the Executive / Whole-time Directors and as deemed necessary for proper and expeditious execution. The Chairman of the Committee or in his absence any other member of the Committee authorized by him on his behalf shall attend general meetings of the Company.

G. Committee members interest

- a) A member of the Committee shall not be entitled to participate in the discussions when his/her own remuneration is discussed at a meeting or when his/ 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.

H. Policy on Board diversity

The Board of Directors shall comprise of Directors having expertise in different areas / fields. In designing the Board's composition, Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills and knowledge. The Board shall have atleast one Board member who has accounting or related financial management expertise and atleast one woman director.

I. Amendments to the Nomination and Remuneration Policy

The Board of Directors on its own and/or as per the recommendations of Nomination and Remuneration Committee can amend this policy, as deemed fit from time to time.