



NOMINATION AND REMUNERATION POLICY
OF
PB FINTECH LIMITED
(FORMERLY “ETECHACES MARKETING AND CONSULTING PRIVATE LIMITED”)

The Board of Directors of PB Fintech Limited (formerly Etechaces Marketing and Consulting Private Limited) (hereinafter referred as “the Company” or “PBFL”) constituted the “Nomination and Remuneration Committee” at the meeting held on 28th day of June, 2021, consisting of three directors of which majority are Independent Directors.

1. OBJECTIVE

The Nomination and Remuneration Committee shall be in compliance with Section 178 of the Companies act, 2013 read along with the applicable rules thereto and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”). The key objectives of the Nomination and Remuneration Committee are as follows:

- 1.1 To guide the board in relation to appointment and removal of directors, KMPs and senior management.
- 1.2 To evaluate the performance of the members of the Boards and to provide necessary report to the Board for further evaluation of the Board.
- 1.3 To recommend to the Board on remuneration payable to the directors, KMPs and senior management.
- 1.4 To provide to Key Managerial Personnel and Senior Management reward linked directly to their efforts, performance, dedication and achievement relating to the Company’s operations.
- 1.5 To retain, motivate and promote talent and to ensure long term sustainability of talented managerial personnel and create competitive advantage.
- 1.6 To devise a policy on board diversity.
- 1.7 To develop a succession plan for the board and to regularly review the plan.

2. ROLE OF COMMITTEE

2.1 Matters to be dealt with, perused and recommend to the Board by Nomination and Remuneration Committee

The role Committee shall, inter alia, include the following:



- 2.1.1 formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- 2.1.2 formulation of criteria for evaluation of performance of independent directors and the board of directors;
- 2.1.3 devising a policy on diversity of board of directors;
- 2.1.4 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 of directors their appointment and removal;
- 2.1.5 whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- 2.1.6 recommend to the board, all remuneration, in whatever form, payable to senior management;
- 2.1.7 Recommend to the Board appointment and removal of Director. KMP and Senior Management Personnel.

2.2 Policies for appointment and removal of Directors, Key Managerial Personnel and Senior Management

2.2.1 Appointment Criteria and Qualifications:

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level 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 is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time 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 based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
- d) Other criteria and qualifications are follows:
 - (i) Persons of eminence, standing and knowledge with significant achievements in business, professions and/or public service.
 - (ii) their financial or business literacy/skills.



- (iii) their railway/heavy engineering/infrastructure industry experience.
- (iv) Appropriate other qualification/experience to meet the objectives of the Company.
- (v) As per the applicable provisions of Companies Act 2013, Rules made thereunder and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate(s).

Criteria for appointment of KMP/Senior Management:

- To possess the required qualifications, experience, skills & expertise to effectively discharge their duties and responsibilities.
- To practice and encourage professionalism and transparent working environment.
- To build teams and carry the team members along for achieving the goals/objectives and corporate mission.
- To adhere strictly to code of conduct.

CORPORATE GOVERNANCE REPORT INCLUDES DETAILS:

Nomination and Remuneration Committee:

- (a) brief description of terms of reference;
- (b) composition, name of members and chairperson;
- (c) meeting and attendance during the year;
- (d) performance evaluation criteria for independent directors.

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 the Company's policy and applicable statutory requirement.

- (1) The board of directors shall constitute the nomination and remuneration committee as follows:
 - (a) the committee shall comprise of at least three directors;
 - (b) all directors of the committee shall be non-executive directors; and
 - (c) at least fifty percent of the directors shall be independent directors, or such other number as may be prescribed under the SEBI Listing Regulations, as amended from time to time.

The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders' queries; however, it shall be up to the chairperson to decide who shall answer the queries.



1.1 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, 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.

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/ Managing Director of a listed company or such other number as may be prescribed under the Act, as amended from time to time.

1.2 Evaluation

Following are the Criteria for evaluation of performance of Independent Directors and the Board:

3.2.1. Executive Directors

The Executive Directors shall be evaluated on the basis of targets / Criteria given to executive directors by the board from time to time

3.2.2. Non-Executive Director

The Non-Executive Directors shall be evaluated on the basis of the following criteria i.e. whether they:

- a) act objectively and constructively while exercising their duties;
- b) exercise their responsibilities in a bona fide manner in the interest of the company;
- c) devote sufficient time and attention to their professional obligations for informed and balanced decision making;



- d) do not abuse their position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- e) refrain from any action that would lead to loss of his independence;
- f) inform the Board immediately when they lose their independence;
- g) assist the company in implementing the best corporate governance practices;
- h) strive to attend all meetings of the Board of Directors and the Committees;
- i) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- j) strive to attend the general meetings of the company;
- k) keep themselves well informed about the company and the external environment in which it operates;
- l) do not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- m) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest; and
- n) abide by Company's Memorandum and Articles of Association, company's policies and procedures including code of conduct, insider trading guidelines etc.

1.3 Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

1.4 Retirement

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

4. POSITIVE ATTRIBUTES OF DIRECTORS (INCLUDING INDEPENDENT DIRECTORS):

- Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively, and the willingness to address issues proactively.



- Actively update their knowledge and skills with the latest developments in the railway/heavy engineering/infrastructure industry, market conditions and applicable legal provisions.
- Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities.
- To assist in bringing independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.
- Ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company.
- To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees.
- Independent Directors to meet the requirements of the Companies Act, 2013 read with the Rules made there under and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

5. POLICY RELATING TO THE REMUNERATION FOR THE WHOLE-TIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL

5.1. General:

- a) The remuneration / compensation / commission etc. to the Whole-time Director / Managing Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required. The remuneration structure would normally depend upon the roles and responsibilities as well as the prevailing market practices. In normal circumstances, the remuneration of an individual shall be divided between fixed and variable components as required under the provisions of the Companies Act, 2013 and as envisaged in SEBI Listing Regulations.
- b) The remuneration and commission to be paid to the Whole-time Director / Managing Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.
- c) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director // Managing Director.
- d) Where any insurance is taken by the Company on behalf of its Whole-time Director, Managing Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other



employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

5.2. Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

The Committee will recommend the remuneration to be paid to the Managing Director, Whole-time Director, KMP and Senior Management Personnel to the Board for their approval.

The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate directors, Key Managerial Personnel and Senior Management of the quality required to run the company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks.

The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:

5.2.1. Director/ Managing Director

Besides the above Criteria, the Remuneration/ compensation/ commission etc. to be paid to Director/ Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

5.2.2. Non-Executive Independent Directors

The Non- Executive Independent Director may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof and fixed fees by way of commission provided that the amount of such fees 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.

5.2.3. KMPs / Senior Management Personnel

The Remuneration to be paid to KMPs/ Senior Management Personnel shall be based on the experience, qualification and expertise of the related personnel and governed by the limits, if any prescribed under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

5.2.4. Directors and Officers' Insurance

Where any insurance is taken by the Company on behalf of its Directors, KMPs/ Senior Management Personnel etc. for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

5.2.5. Stock Options

An Independent Director shall not be entitled to any stock option of the Company, unless otherwise provided by the Companies Act or the SEBI Listing Regulations, from time to time.



6. MEMBERSHIP

6.1 The Committee shall consist of a minimum 3 Non-Executive Directors, majority of them being independent.

6.2 The quorum for a meeting of the Nomination and Remuneration Committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance.

6.3 Membership of the Committee shall be disclosed in the Annual Report.

6.4 Term of the Committee shall be continued unless terminated by the Board of Directors.

7. CHAIRPERSON

7.1 The Chairperson of the Nomination and Remuneration Committee shall be an Independent Director, subject to clause 7.2 below.

7.2 Chairperson of the listed entity, whether executive or non-executive, may be appointed as a member of the Nomination and Remuneration Committee and shall not chair such Committee.

7.3 In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.

7.4 The Chairperson of the Nomination and Remuneration Committee may be present at the annual general meeting, to answer the shareholders' queries; however, it shall be up to the Chairperson to decide who shall answer the queries.

8. FREQUENCY OF MEETINGS

The Nomination and Remuneration Committee shall meet at least once in a year.

9. COMMITTEE MEMBERS' INTERESTS

9.1 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.

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

10. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.



11. VOTING

11.1 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.

11.2 In the case of equality of votes, the Chairman of the meeting will have a casting vote.

12. NOMINATION DUTIES

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

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

12.2 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;

12.3 Identifying and recommending Directors who are to be put forward for retirement by rotation.

12.4 Determining the appropriate size, diversity and composition of the Board;

12.5 Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;

12.6 Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;

12.7 Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;

12.8 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.

12.9 Delegating any of its powers to one or more of its members or the Secretary of the Committee;

12.10 Recommend any necessary changes to the Board; and

12.11 Considering any other matters, as may be requested by the Board.

13. REMUNERATION DUTIES

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

13.1 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.

13.2 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.

13.3 to delegate any of its powers to one or more of its members or the Secretary of the Committee.

13.4 to consider any other matters as may be requested by the Board.

13.5 Professional indemnity and liability insurance for Directors and senior management.

13.6 The remuneration of the Senior Management including key managerial personnel shall be reviewed periodically as per discretion of the Committee.

14. Review and custody

This policy shall be reviewed by the Board annually and shall be kept in the custody of Compliance Officer of the Company.

This policy has been approved by the Board of Directors of the Company on July 26, 2021.