

# ABN INTERCORP LIMITED

## BOARD'S FAMILIARIZATION & REMUNERATION POLICY

### Preamble:

We at Interactive Financial Services Limited, believes in diversification, bringing the cozy and congenial feel to its employees and senior management and enriching to the rightful employees for his / her contribution in uplifting the business growth of the Company. In this context, this policy aim to formulate to provide comfy and pleasant atmosphere to the newly appointment directors and to appropriately justifying the work efforts to the Board of Directors and the Senior Management and rewarding them towards their contribution for cherishing and enrichment of better growth of the Company.

### Definitions:

**"Act"** or **"The Act"** means the Companies Act, 2013

**"Independent Directors"** means a director referred to in Sub – Section (6) of Section 149 of the Companies Act, 2013 and the Regulation 16(b) of SEBI(Listing Obligation disclosure Requirement)Regulation,2015 (as amended or re – enacted from time to time)

**"Key Managerial Personnel"** or **"The KMP's"** shall mean "Key Managerial Personnel" as defined in Section 2(51) of the Act.

**"Nomination & Remuneration Committee"** by whatever name called, shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Act and the Regulation 19 of SEBI(Listing Obligation Disclosure Requirement) Regulation, 2015 (as amended or re – enacted from time to time).

**"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.

**"Senior Management"** mean personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the Executive Directors, including all functional heads. Words and expressions used and not defined in this Policy, but defined in the Act or any Rules framed under the Act or the Securities and Exchange Board of India Act, 1992 and Rules and Regulations framed thereunder or in the SEBI(Listing Obligation disclosure Requirement)Regulation,2015 or the Accounting Standards shall have the meaning assigned to them in these regulations.

### Getting Familiarized With:

The Company shall conduct a Familiarization Program, and introduce the Independent Director/ Director at the time of Company with following items, to get oriented with the environment of the Company:

1. An Induction pack stating the Company's Corporate Profile, its Vision, Mission and Values Statement & Organizational Structure.
2. Getting known with the Business Goals, and accomplishment made by the Company.

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3. Working environment, ethics, standards, Code of Conduct, policies, communication Medium and structure by the management and at lower levels.
4. A detailed Appointment Letter incorporating the role, duties and responsibilities, remuneration and performance evaluation process, insurance cover, and obligations on disclosures, is issued for the acceptance of the Independent Director / Directors.

## **Remuneration Criteria:**

The remuneration to the Board of Directors of the Company is broadly governed by the Provisions of the Companies Act 2013. Executive Directors and Senior Management Personnel are eligible to receive a fixed remuneration on a monthly basis. The aim of providing fixed remuneration is to attract and retain qualified and talented professionals. The fixed remuneration is determined based on market standards and the Company's specific requirements. The Board of Directors evaluates the fixed remuneration of Executive Directors annually based on the performance of the Company, the prevailing market trends and the individual performance. Apart from the fixed remuneration, the Managing Directors are eligible for commission linked to profit of the Company as may be decided by the Board, subject to adequacy of profits and approval of the shareholders. The Non-executive and Independent Directors are entitled to receive sitting fee and commission as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors within the limits as laid down under the Companies Act, 2013.

## **Criteria for Determining Qualifications, Positive Attributes & Independence of Director:**

### **Qualifications of Independent Director:**

An Independent director shall possess appropriate skills, experience and knowledge in one or more fields of management, finance, law, sales, marketing, administration, corporate governance, operations or other disciplines related to the Company's business.

### **Positive attributes of Independent Directors:**

An 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 bona-fide manner in the interests of the Company; devote sufficient time and attention to his / her professional obligations for informed and balanced decision-making; and assist the Company in implementing the best corporate governance practices.

**Independence of Independent Directors:** An Independent director should meet the requirements of the Companies Act, 2013 and Regulation 16(b) of SEBI (Listing Obligation disclosure Requirement) Regulation, 2015 concerning independence of directors.

## **Remuneration Policy for Directors, Key Managerial Personnel and Other Employees: Non – Executive Directors (NEDs):**

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NEDs shall receive a sitting fee in accordance with the performance evaluation and value addition made towards the Company. The Board shall have the flexibility to enhance the sitting fees up to the maximum limit allowed by the Companies Act, 2013 and Rules thereunder. The Company would pay a commission up to an aggregate amount not exceeding 1% of net profits of the Company during a financial year to the NEDs, subject to adequacy of profits and the approval of the shareholders.

The payment of commission to each NED shall be at the discretion of the Board, based on the following criteria:

- Performance of the Company during the particular Financial Year.
- Attendance at the meetings of the Board and Committees.
- Reviewing the Industry practices and bench marks.
- Adherence to Corporate Governance norms during the discussions and proceedings of the Board / Committees.
- Timely guidance to the Board on important policy matters of the Company.

The Company at present has no stock options plans to directors.

## **Managing Directors, Executive Directors and Key Managerial Personnel & Other Employees:**

The remuneration of Executive Directors are determined / reviewed on the recommendation of the Nomination and Remuneration Committee and approval by the Board of Directors and shareholders / Central Government, if applicable. The remuneration is determined taking into account the Company's overall performance, individual contribution to the Company and trends in the industry in general. In the event of losses or inadequacy of profits, the remuneration will be within the ceilings applicable under the Companies Act, 2013 or with the prior approval of the shareholders for payment of higher remuneration.

The Company at present has no stock options and hence, such instruments do not form part of their remuneration package. Remuneration to Key Managerial Personnel and Senior Management are determined / reviewed considering short and long term performance objectives appropriate to the working of the Company and its goals and the market trends.

The above criteria and policy are subject to review / revision by the Nomination and Remuneration Committee and the Board of Directors of the Company.

### **Amendment:**

The Board reserves its right to amend or modify this Policy in whole or in part, at any time With-out assigning any reason whatsoever. However, no such amendment or modification shall be inconsistent with the applicable provisions of the Act or Applicable Law.

### **Interpretation:**

In any circumstance where the terms of this Policy differ from any Applicable Law governing the Company, such Applicable Law will take precedence over this Policy and the procedures there under until such time as this Policy is modified in conformity with the Applicable Law.