



INVENTURUS KNOWLEDGE SOLUTIONS LIMITED

NOMINATION AND REMUNERATION POLICY

1) Preamble

This Nomination and Remuneration Policy (the “**Policy**”) has been formulated by Inventurus Knowledge Solutions Limited (“**Company**”) in compliance with Section 178 of the Companies Act, 2013 (the “**Act**”), read with applicable rules made thereunder and in compliance of Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”) when so applicable.

The board of directors of Company (“**Board**”) adopted the Policy at its meeting held on November 10, 2022 which can be amended from time to time. The Company has constituted the Nomination and Remuneration Committee (the “**Committee**”) in line with the provisions of the Act and SEBI Listing Regulations.

2) Objective and cope

The Policy sets guiding principles for the Committee for:

- a) Identifying persons who are qualified to become Directors (executive and non-executive) and persons who may be appointed as KMP and other employees in senior management position in accordance with the criteria laid down.
- b) Identifying the criteria for determining qualifications, positive attributes and independence of a director.
- c) Recommending to the Board the appointment and remuneration of Directors, KMPs and other employees in senior management position.
- d) Specifying the manner for effective evaluation of performance of the Board, Directors, KMPs and persons in senior management positions to be carried out either by the Board, by the Committee or by an independent external agency.
- e) Such other key issues/matters as may be referred by the Board or as may be necessary in view of the provision of the Companies Act 2013 and Rules thereunder and the SEBI Listing Regulations, whenever applicable.

3) Criteria and qualifications

a) In evaluating suitability of individual directors, the Committee may take into account factors, such as:

- Personality, skills and professional knowledge;
- Knowledge and experience relevant to the business of the Company;
- Understanding of and experience in performing their roles and responsibilities;
- Independence of judgment;
- Educational and professional qualification(s);
- Past performance and credentials;
- Interaction and relationship with the other members of the Board, KMPs and key stakeholders; and
- Ethics and Values.

b) The Committee shall 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.

c) 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:

- use the services of an external agencies, if required;
- consider candidates from a wide range of backgrounds, having due regard to diversity; and
- consider the time commitments of the candidate.

4) Independence of Directors

The Committee shall assess the independence of directors at the time of appointment/re-appointment and the Board shall assess their performance annually.

The person being appointed as Independent Director of the Company:

- a. shall meet the criteria of independence, as laid down in Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended from time to time
- b. shall be registered as an Independent Director in the data bank maintained and managed by Indian Institute of Corporate Affairs in compliance with Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014 and have complied with the requirement under Rule 6(4) of the aforesaid Rule

The Independent Directors shall abide by the “Code for Independent Directors” as specified in Schedule IV to the Companies Act, 2013.

5) Evaluation/ assessment of Directors

The evaluation/assessment of the Directors is conducted on an annual basis. The following criteria assists in determining how effective the performances of the Directors have been:

- i) Vision and clarity of roles & responsibility:
- ii) Board Processes:
- iii) Engagement with Management:
- iv) Board dynamics:
- v) Frequency of participation:

6) Remuneration

(i) In discharging its responsibilities, the Committee shall have regard to the following policy objectives:

- i) To ensure the Company’s remuneration structures are equitable and aligned with the long-term interests of the Company and its shareholders;
- ii) To attract and retain and motivate competent individuals;
- iii) To plan short and long-term incentives to retain talent;
- iv) To ensure that any severance benefits are justified.
- v) To ensure that the remuneration of Directors, KMPs, and other employees in senior

management position is based and determined on the basis of individual's responsibilities and performance and in accordance with the limits as prescribed statutorily, if any, including that the remuneration to be paid to the Managing Director ("MD") and/or whole-time director as per the provisions of the Companies Act, 2013 and the rules made there under.

- vi) To ensure that individual remuneration packages for Directors, KMPs and other employees in senior management are determined after taking into account relevant factors, including but not limited to:
- Qualification and experience
 - Level of engagement in the affairs of the Company,
 - Market conditions,
 - Financial and commercial health of the Company,
 - Practice being followed in comparable companies,
 - Prevailing laws and government/other guidelines.
- vii) The remuneration / compensation / commission etc. to the whole-time Director, KMP, other employees in senior management position will be determined by the Committee and recommended to the Board for approval.

(ii) Remuneration Structure

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 including KMPs and other employees in senior management position 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

- i) Base Compensation (fixed salaries): This component of salary is competitive and reflective of the individual's role, responsibility and experience in relation to performance of day -to-day activities, usually reviewed on an annual basis. The base Compensation includes salary, allowances and other statutory/non-statutory benefits which are normal part of remuneration package in line with market practices.

- ii) Variable salary: A relevant part of remuneration is payable as variable salary linked to corporate and individual performance, fulfilment of specified improvement targets or the attainment of certain financial or other objectives set in this regard.
- iii) Stock incentives: Stock or Equity based incentives as per IKS Stock Option Plan. The stock incentives are governed by the IKS Stock Option Plans as approved by the shareholders or any other plans as may be amended.
- iv) Any other component/benefits as may be recommended by the management and approved by the NRC.

(iii) Remuneration to whole-time/ Managing Director:

The entire remuneration to be paid to whole-time/managing director shall be as per the resolutions approved by the shareholders of the Company from time to time.

- i) **Fixed pay** – The MD and/or whole-time Director shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee and the shareholders, wherever applicable and shall also be eligible for other benefits.
- ii) **Performance Bonus:** Cash bonus, payable on the achievement of objective and quantifiable key performance indicators (KPIs) as established by the Committee

The entire remuneration to be paid to whole-time/managing director shall be as per the resolutions approved by the shareholders of the Company from time to time.

- iii) **Stock incentives:** The stock incentives are governed by the employee stock option plans as approved by the shareholders and as per the extant laws.

(iv) Remuneration to non-executive / independent Director:

The remuneration to non-executive/independent directors shall be in the form of sitting fees and commission.

Sitting Fees – The non- executive Directors may receive remuneration by way of fees for attending meetings of the Board or committees of the Board to which they are appointed

from time to time. Provided that the amount of such fees shall not exceed the limits prescribed under Companies Act, 2013.

The overall remuneration shall be as per the approvals accorded by the shareholders and extant laws.

(v) Remuneration to other employees in senior management positions

The Company while deciding the remuneration package of the other employees in senior management position shall take into consideration the following items:

- a. The experience, qualification, talent and performance of Senior Management personnel;
- b. Comparative remuneration standards of peers in the industry.

The annual variable pay of senior management is linked to the performance of the Company in general and their individual performance for the relevant year measured against specific performance indicators which are aligned to the Company's objectives.

7) Removal

The Committee may recommend to the Board with reasons in writing, removal of a Director, KMP or other person in senior management positions, subject to the provisions and compliance of the Companies Act, 2013 and other applicable law.

8) Review

The policy shall be reviewed by the Committee/Board at appropriate intervals in accordance with any statutory /regulatory requirements and based on its recommendations; the Board may revise the same from time to time.