



**NOMINATION AND REMUNERATION POLICY FOR
THE BOARD OF DIRECTORS, KEY MANAGERIAL
PERSONNEL AND SENIOR MANAGEMENT
PERSONNEL**

HEALTHCARE GLOBAL ENTERPRISES LIMITED



1. PREAMBLE:

HealthCare Global Enterprises Limited (“the Company or HCG”) believes in conducting the affairs of the Company in a fair and transparent manner by adopting the highest standards of professionalism and good corporate governance practices. The Company is committed to ensure that remuneration paid to directors commensurate with the role and responsibilities of employees of the Company. In order to attract and retain suitably qualified and best talent at all levels, it is the Company’s aim to maintain fair and competitive remuneration consistent with industry standards and practices.

Pursuant to the Companies Act, 2013 (“the Act”), the Company is required to constitute a Nomination and Remuneration Committee which shall formulate the Nomination and Remuneration Policy (“the Policy”) and the overall appointment and remuneration of Directors, Key Managerial Personnel and Senior Management of the Company.

2. APPLICATION OF THE POLICY:

The appointment and remuneration of Directors, Key Managerial Personnel and Senior Management of the Company will be reviewed and considered by the Nomination and Remuneration Committee in accordance with the policy and the provisions of the Act.

3. CATEGORIES OF EMPLOYEES PROVIDED UNDER THIS POLICY:

- a) Directors include Whole-time/ Executive Directors, Non-Executive Directors and Independent Directors.
- b) Key Managerial Personnel to be construed as defined under Section 2(51) of the Act.
- c) Senior Management Personnel comprises of members of the core management team and personnel one level below the Board.

4. GENERAL POLICY STATEMENT:

The Remuneration Policy of the Company is structured to motivate directors and employees, recognize their merits and achievements and promote excellence in their performance. Individual performance pay is determined by business performance and the performance of the individuals is measured through an appropriate appraisal process. Through compensation program, the Company endeavors to attract, retain, develop and motivate a high performance workforce that will ensure the long term sustainability of the Company and create a competitive advantage in the industry. For the whole time director and employees, the Company follows a compensation mix of fixed and variable pay.

The remuneration of the Board members, Key Managerial Personnel and the Senior Management is based on the Company’s size and market presence, its economic and financial position, industrial trends, compensation paid by the peer companies etc.



5. TERMS OF REFERENCE:

- a) To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in Schedule I of this policy and recommend to the Board their appointment and removal.
- b) To carry out evaluation of every director's performance as laid down in Schedule I of this policy.
- c) To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees in Senior Management.
- d) To review the overall compensation policy, service agreement and other employment conditions of Whole Time Directors, Key Managerial Personnel and Senior Management officials.
- e) To monitor the implementation of Employees Stock Option Schemes of the Company.
- f) To deal with other matters as the Board may refer to the Nomination and Remuneration Committee ("the Committee") from time to time.

6. REMUNERATION:

Role and Type of Remuneration:

The Company recognizes the competitive nature of the market and this requires the Company to provide competitive remuneration to its directors and employees to ensure that we attract and retain efficient employees.

The remuneration of Whole-time directors/ Executive Directors, Key Managerial Personnel and Senior Management Personnel of the Company is decided based on the criteria stated in Schedule I of this policy and as per the recommendation of the Committee.

The Company may pay remuneration to Whole-time directors/ Executive Directors, Key Managerial Personnel and Senior Management Personnel by way of salary, retirement benefits, perquisites, allowances (fixed component), incentives and commission (variable component) based on the recommendation of the Committee and approval of the Board of Directors and shareholders, if applicable.

Remuneration of Non-Executive Directors

Non-Executive Independent Directors are paid remuneration by way of sitting fees for attending Board and Committee Meetings. The Company pays a sitting fee per meeting of the Board and the Committees to the Non-Executive Independent Directors for attending the meeting within the limit prescribed under the Act.

An Independent Director shall not be entitled to any stock option and may receive remuneration



by way of fees provided under sub-section (5) of Section 197 of the Act, re- imbursement of expenses for participation in the Board and other meetings.

7. COST MANAGEMENT

The objective of remuneration cost management is the importance of the directors and employee's role, thereby reflecting their relative work to the Company. Cost management does not necessarily imply a reduction of overall salary but rather the correct allocation thereof. The Finance department in conjunction with Human Resource department should manage remuneration costs within budgetary constraints, while ensuring the remuneration levels of competent, exceptional performers and key employees are positioned competitively against the market.

Any amount paid in excess to director other than prescribed under the Act shall be refunded by the director and the company cannot waive the same.

8. RETIREMENT POLICY:

The Company has policy for offering retirement benefits including pension, ex-gratia, gratuity, medical etc. to its whole time directors and employees of the Company.

9. NOMINATION & REMUNERATION COMMITTEE

The Nomination and Remuneration Committee shall consist of three or more non- executive directors out of which not less than one half 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.



Schedule 1

Criteria for appointment – related remuneration for Directors, Key Managerial Personnel and Senior Management of the Company.

- (i) At the time of selection of a Director, Key Managerial Personnel and Senior Management Officials, the Company must examine the integrity of the person and possession of relevant expertise, positive attributes, qualifications and experience.
- (ii) In case of appointment of Independent Directors, the Company must observe the pecuniary relationship of such Director and their relatives with the promoters and group companies including the criteria of independence and other conditions as prescribed by the Act.
- (iii) The performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.
- (iv) The level and composition of remuneration should be reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel and Senior Management to run the Company successfully.
- (v) Relationship of remuneration to performance should be clear and meet appropriate performance benchmarks as laid out by the Company.
- (vi) Remuneration of directors, Key Managerial Personnel and Senior Management Officials 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.
- (vii) **External Competitiveness:** The quantum and nature of the total offering to Directors, Key Managerial Personnel and Senior Management should commensurate with the industry standards and benchmarks and the ability of the Company in recruiting and retaining them.
- (viii) Remuneration should be compatible with risk policies and systems.
- (ix) The Independent Directors shall review the performance of the non-independent directors.
- (x) The Independent Directors shall assess the quality, quantity and timelines of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.