



Future Consumer Limited

NOMINATION AND REMUNERATION POLICY



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1. Purpose of this Policy:

In terms of requirements prescribed under Section 178 of the Companies Act, 2013 (the “**Act**”), and the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time) (the “**SEBI Listing Regulations**”), Future Consumer Limited (the “**Company**”) had adopted Remuneration Policy for appointment and remuneration of the Directors, Key Managerial Personnel and Senior Management (the “**Policy**”). Pursuant to the amendments in SEBI Listing Regulations, the amended Policy is being adopted by the Company which comes into effect from 1st April, 2019.

The purpose of this Policy is to establish and govern the procedure as applicable *inter alia* in respect to the following:

- a) To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Executive / Non-Executive) and recommend to the Board (as defined), policies relating to the remuneration (payable in whatever form) of the Directors, Key Managerial Personnel and Senior Management.
- b) To evaluate the performance of the members of the Board.
- c) To ensure remuneration to Directors, Key Managerial Personnel and Senior Management 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.
- d) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

2. Definitions:

- (a) “**Board**” shall mean Board of Directors of the Company as constituted from time to time.
- (b) “**Independent Director**” means a director referred to in Section 149(6) of the Act and Regulation 16(b) of the SEBI Listing Regulations, as amended from time to time.
- (c) “**Key Managerial Personnel**” or “**KMP**” shall mean Key Managerial Personnel as defined in Section 2(51) of the Act.
- (d) “**Committee**” shall mean Nomination and Remuneration/ Compensation 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 the SEBI Listing Regulations.
- (e) “**Senior Management**” shall mean officers/personnel of the Company who are members of its core management team excluding board of directors and shall comprise all members of management one level below the chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall include the company secretary, chief financial officer and all functional heads of the Company.



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 Regulations 19 or the Accounting Standards shall have the meanings assigned to them in SEBI Listing Regulations.

3. Composition and Scope of Nomination and Remuneration/Compensation Committee:

The Nomination and Remuneration/Compensation Committee (“Committee”) has been constituted to undertake the functions in accordance to the provisions of Section 178 of the Act and the Regulation 19 of the SEBI Listing Regulations as amended from time to time.

4. Appointment and Removal of Director, KMPs and Senior Management:

4.1 Appointment criteria and qualification:

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director and recommend to the Board his / her appointment.

For the appointment of KMP (other than Managing / Whole- time Director) or Senior Management, a person should possess adequate qualification, expertise and experience for the position he / she is being considered. Further, for administrative convenience, the appointment of KMP (other than Managing / Whole time Director) or Senior Management, the Managing Director /Whole Time Director is authorised to identify and appoint a suitable person for such position. However, if the need be, the Managing Director /Whole Time Director may consult the Committee / Board for further directions / guidance.

The appointment of Independent Directors shall be in adherence with the Act and applicable rules thereunder and the provisions of SEBI Listing Regulations.

4.2 Term:

The Term of the Directors including Managing Director / Whole-time Director / Independent Director shall be governed as per the provisions of the Act and Rules made thereunder and the SEBI Listing Regulations, as amended from time to time.

The terms and conditions of appointment of Independent Directors shall be in adherence with the Act and applicable rules thereunder and the provisions of SEBI Listing Regulations.

Whereas the term of the KMP (other than the Managing / Whole time Director) and Senior Management shall be governed by the prevailing HR policies of the Company.

4.3 Evaluation:

The Committee shall provide manner for effective evaluation of performance of Board, its Committees and individual Directors, which shall be carried out by the Board or the Committee or an independent external agency. The Committee shall identify evaluation criteria which will



evaluate Directors based on knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence.

The criteria for evaluation of Independent Director shall *inter-alia* include:

- (a) Performance of the Directors; and
- (b) Fulfillment of the independence criteria as specified in these regulations and their Independence from the management.

4.4 Removal:

Due to reasons for any disqualification mentioned in the Act or under any other applicable law, rules and regulations, thereunder, the Committee may recommend, to the Board with reasons to be recorded in writing, removal of a Director, KMPs (other than Managing / Whole- time Director) or Senior Management, subject to the provisions and compliance of the said Act, such other applicable law, rules and regulations.

4.5 Retirement:

The Directors, KMPs (other than Managing / Whole- time Director) and Senior Management 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, KMPs (other than Managing / Whole- time Director), Senior Management in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

5. Remuneration of Managing / Whole-time Director, KMPs and Senior Management:

The remuneration / compensation / commission, etc., as the case may be, payable to the Managing /Whole time Director, will be determined by the Committee and recommended to the Board for its approval. The same shall be subject to the prior / post approval of the shareholders of the Company and shall be in accordance with the provisions of the Act and Rules and other applicable Regulations made thereunder. The Committee shall recommend to the Board the criteria for remuneration in whatever form payable to KMPs and Senior Management based on the standard market practice and prevailing HR policies of the Company.

6. Remuneration to Non-executive / Independent Director:

The remuneration / commission / sitting fees, as the case may be, to the Non-Executive / Independent Director, shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being in force or as may be decided by the Board from time to time.

An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act and Regulations 19 of SEBI Listing Regulations.



7. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole Time Director/ Executive / Managing Director in accordance with the provisions of Section 197 of the Act and Schedule V thereto.

8. Review:

The Committee shall review and recommend to the Board alterations to this Policy as and when necessary, provided they are not inconsistent with the provisions of the applicable laws. In the event of any conflict between the provisions of this Policy and Act or Rules and SEBI Listing Regulations or any other statutory enactments (as amended from time to time), the applicable provisions of Act or Rules and SEBI Listing Regulations or such other statutory enactments, shall prevail over this Policy and shall be construed accordingly.