

Nomination and Remuneration Policy

Xchanging Solutions Limited

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Owner: Company Secretary on behalf of the BOARD

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1 PREAMBLE

This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management ("Nomination and Remuneration Policy" or "NRC Policy") has been formulated by the Nomination and Remuneration Committee, in pursuance of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement and approved by the Board of Directors at its meeting held on November 7, 2014.



2 DEFINITIONS

“**Board**” means Board of Directors of the Company

“**Company**” means Xchanging Solutions Limited

“**Directors**” mean Directors of the Company.

“**Key Managerial Personnel**” means

- a. Chief Executive Officer or the Managing Director or the Manager;
- b. Whole-time director;
- c. Chief Financial Officer;
- d. Company Secretary; and
- e. such other officer as may be prescribed.

“**Nomination and Remuneration Committee**” means Committee of Board of Directors of the Company.

“**Senior Management**” means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.



3 NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors of the Company shall constitute a Nomination and Remuneration Committee in accordance with the requirements of Section 178 of the Companies Act, 2013, the Companies (Meeting of Board and its Powers) Rules, 2014 and Clause 49 of the Listing Agreement.



4 ROLE OF NOMINATION AND REMUNERATION COMMITTEE

The role of the committee shall, inter alia, include the following:

- a. Formulation of the criteria for determining qualifications, positive attributes and independence of a director
- b. Recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and senior management;
- c. Formulation of criteria for evaluation of Independent Directors and the Board;
- d. Formulation of process for grant, allot, issue, administer, cancel and forfeit employees' stock options under any ESOP schemes of the Company and to exercise such powers as conferred by the Board on the earlier Remuneration Committee;
- e. Devising a policy on Board diversity;
- f. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down in this policy, and recommend to the Board their appointment and removal.



5 APPOINTMENT AND REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

- a. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, key managerial personnel 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.
- c. The Company should ensure that the person so appointed as Director/ Independent Director/ KMP/ Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made thereunder, Listing Agreement or any other enactment for the time being in force.
- d. The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made thereunder, Listing Agreement or any other enactment for the time being in force.
- e. The Board shall decide the term or the tenure of the directors and key managerial personnel, which shall be in accordance with the provisions of the Companies Act, 2013 and the applicable Rules made there under and the Listing Agreement.
- f. The Committee shall carry out evaluation of performance of every Director and Key managerial personnel, on an annual basis.
- g. The sitting fees of the Independent Directors shall be determined by the Board and shall be within the limits prescribed under the provisions of the Companies Act, 2013 and the Rules made thereunder.
- h. The remuneration and commission to be paid to the Whole-time Director/s 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 Companies Act, 2013.
- i. Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, 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.
- j. 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.
- k. The Board of Directors shall have the optimum combination of Directors from the different areas to have diversified board composition.



- I. 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.



6 AMENDMENTS TO THE POLICY

The Board of Directors, on its own and / or as per the recommendations of the Nomination and Remuneration Committee can amend this Policy as and when deemed fit. Any or all provisions of this Policy would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.



7 GOVERNING LAW

This Policy shall be governed by the Companies Act, 2013 read with Rules made thereunder, as may be in force for the time being as well as Clause 49 of the Listing Agreement or such other Rules / Regulations, as may be notified by SEBI from time to time.

Revision history

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Version	Date	Author	Brief description
v1.0	7/11/2014	Board of Directors	Review on the basis of amendment in governing law.

Xchanging Solutions Limited

SJR I Park, Plot No. 13, 14, 15,
EPIP Industrial Area, Phase 1,
Whitefield, Bangalore, Karnataka – 560066
CIN: L72200KA2002PLC030072

T +91 80 3054 0000

F +91 80 4115 7394

E info@xchanging.com

W www.xchanging.com

