

**NOMINATION & REMUNERATION  
POLICY**

**ODYSSEY TECHNOLOGIES LIMITED**

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## ODYSSEY TECHNOLOGIES LIMITED

### NOMINATION & REMUNERATION POLICY

#### 1. PREFACE :

- i. Section 178 (2) & (3) of the Companies Act, 2013 and Part A of Part D of Schedule II of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 provides that

*“The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the board of directors their appointment and removal and shall carry out evaluation of every director’s performance.”*

*“The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of directors and recommend to the Board, a policy relating to the remuneration for the directors, key managerial personnel and other employees”.*

- ii. Therefore, to ensure compliance with the aforesaid Act and Regulations, the Nomination and Remuneration Committee (“the Committee”) of the Board of Directors of **Odyssey Technologies Limited** (“the Company”), has formulated a Nomination & Remuneration policy (“the Policy”).
- iii. This Policy shall replace the Remuneration Policy recommended by the Nomination & Remuneration Committee to the Board of Directors at their meeting held on Tuesday, August 5, 2014 and approved by the Board of Directors at their meeting held on Tuesday, August 5, 2014.

#### 2. DEFINITIONS:

In this Policy, unless the context otherwise requires:-

“Company” means Odyssey Technologies Limited.

“ Act” means Companies Act, 2013

“Regulations” means Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Words and expressions used in this Policy but not defined shall have the meaning as given in the Companies Act, 2013 read with Rules made there under and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as may be amended from time to time.

### 3. **POLICY OBJECTIVES & PURPOSE :**

- ✧ The objective and purpose of this Policy is to formulate the criteria for determining qualifications, positive attributes and independence for the appointment of a Director (Executive/Non-Executive/Independent) and recommend to the Board policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
- ✧ The Policy is designed to attract, motivate and retain manpower in a competitive market. The policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.

### 4. **APPLICABILITY :**

The Nomination and Remuneration Policy applies to the appointment and remuneration of Directors, Key Managerial Personnel and Company's Senior Management and other employees. Senior Management means officers/personnel of the Company who are members of its core management team excluding the Board of Directors and normally this shall comprise all members of management one level below the executive directors, including all functional heads.

This Nomination & Remuneration Policy shall apply to all future employment agreements with members of Company's Senior Management, Key Managerial Personnel and Board of Directors. This Policy shall be of guidance for the Nomination & Remuneration Committee and Board of Directors.

### 5. **APPOINTMENT OF DIRECTORS, KMP & SENIOR MANAGEMENT :**

#### ➤ **Appointment criteria & Qualifications-in general**

1. The Nomination & Remuneration Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, Key Managerial Personnel or senior management level and recommend to the Board his/her appointment.
2. A person to be appointed as a Director, Key Managerial Personnel or senior management level should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the concerned position.
3. A person to be appointed as a Director should possess impeccable reputation for integrity, deep expertise and insights in sectors/areas relevant to the Company and ability to contribute to the Company's growth.

➤ **Positive attributes of Directors (including Independent Directors)**

- a) Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively and the willingness to address issues proactively.
- b) Actively update their knowledge and skills with the latest developments in the industry, market conditions and applicable legal provisions.
- c) Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities.
- d) To assist in bringing independent judgment to bear on the Board's deliberations especially on the issues of strategy, performance, risk management, resources, key appointments and standards of conduct.
- e) Ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company.
- f) To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and the employees

➤ **Appointment of Executive Directors**

For the purpose of appointment of Executive Directors, the Committee shall identify persons of integrity who possess relevant experience, domain expertise and leadership qualities and also ensure that the incumbent fulfills such other criteria with regard to age and qualifications as laid down under Companies Act or other applicable laws.

➤ **Appointment of Non Executive Directors**

The Non Executive Directors shall be persons of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of finance, taxation, law, governance, marketing and general management.

➤ **Appointment of Independent Directors**

In the case of appointment of Independent Directors, the Committee satisfies itself with regard to the independent nature of the Director and considers the incumbent's qualification, expertise and experience in the respective field and diversity of the Board while recommending to the Board the candidature for appointment as Director so as to enable the Board to discharge its function and duties effectively.

The Nomination & Remuneration Committee shall decide whether to extend or continue the term of appointment of the independent director, on the basis of report of performance evaluation of independent directors.

➤ **Appointment of KMP/Senior Management**

- 1) To possess the required qualifications, experience, skills and expertise to effectively discharge their duties and responsibilities.
- 2) To practice and encourage professionalism and transparent working environment
- 3) To build teams and carry the team members along for achieving the goals/objectives and corporate mission.

**6. REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL & SENIOR MANAGEMENT :**

➤ **Guiding Principles**

The guiding principle is that the remuneration and the other terms of employment shall be competitive in order to ensure that the Company can attract and retain competent Executives / Directors.

- ❖ The Policy reflects the remuneration philosophy and principles of the Company. When determining the remuneration policy and arrangements for Directors, Key Managerial Personnel and Senior Management, the Nomination & Remuneration Committee (“the Committee”) considers pay and employment conditions with peers / elsewhere in the competitive market to ensure that pay structures are appropriately aligned and that levels of remuneration remain appropriate in this context and in line with the contemporary industry benchmark.
- ❖ The Committee while designing the remuneration package considers the level and composition of remuneration to be reasonable and in line with the industry standards, and sufficient to attract, retain and motivate the person to ensure the quality required to run the company successfully.
- ❖ The Committee while considering a remuneration package ensures a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.
- ❖ The Committee considers that a successful remuneration policy must ensure that a significant part of the remuneration package is linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders.
- ❖ The Committee ensures that the relationship of remuneration to performance is clear and meets appropriate benchmarks.

➤ **Scope of the Policy**

- i. The Remuneration policy of the Company is guided by a common reward framework and set of principles and objectives as more fully and particularly envisaged under Section 178 of the Companies Act 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, *inter alia* principles pertaining to determining qualifications, positives attributes, integrity and independence etc.
- ii. The appointment and remuneration of the Managerial Personnel shall be governed by Chapter XIII of the Companies Act, 2013 read with Schedule V and the Rules there under.

➤ **Reward Policies**

- i. **Attract and retain:** Remuneration packages are designed to attract high-calibre executives in a competitive global market and remunerate executives fairly and responsibly. The remuneration shall be competitive and based on the individual responsibilities and performance.
- ii. **Motivate and reward:** Remuneration is designed to motivate delivery of our key business strategies, create a strong performance-orientated environment and reward achievement of meaningful targets over the short- and long-term.
- iii. **The principal terms of non-monetary benefits:** The Executives will be entitled to customary non-monetary benefits such as company cars and company health care, telephone etc. In addition thereto in individual cases company housing and other benefits may also be offered.

➤ **Remuneration of Executive Directors**

- i. The remuneration of the Executive Directors is recommended by the Nomination and Remuneration Committee and subsequently, the Board approves and adopts the same and wherever necessary forwards the same for the approval of the shareholders in the General Meetings of the Company.
- ii. Executive remuneration is evaluated annually against performance and a benchmark of software companies, which in size and function are similar to the Company.
- iii. The Committee ensures that a significant proportion of executive Directors remuneration is structured so as to link rewards to corporate and individual

performance. In determining packages of remuneration, the Committee may consult with the Managing Director/Whole-time Director as appropriate.

iv. The Total monthly remuneration of Managing Director/Whole-time Director shall be comprised, *inter alia*, as follows:

- Basic Salary
- House Rent Allowance
- Transport Allowance
- Scheduled Area Allowance
- Conveyance Allowance under Section 10 (14) of the Income Tax Act.
- Food Coupon
- Reimbursement of any out of pocket expenses incurred by the Directors in discharge of their functions/duties on behalf of the Company.

Annual Components:

- Medical reimbursement
- Leave Travel Allowance

In addition, they shall also be entitled to the following benefits:

- ❖ Contribution to Provident Fund, Superannuation or Annuity Fund to the extent these either singly or put together are not taxable.
- ❖ Gratuity at the rate of 15 days salary for each completed year of service at the end of tenure, and
- ❖ Encashment of unavailed leave at the end of tenure.

➤ **Remuneration of Non-Executive Directors**

The Non-Executive Directors (NEDs) are paid remuneration by way of Sitting Fees. The Articles of Association of the Company have entrusted the Board of Directors of the Company to decide the remuneration payable to the Non-Executive Directors of the Company within the limits permissible under the Companies Act, 2013 and Rules thereunder for each meeting of the Board of Directors or Committee Meetings attended by them irrespective of the number of days for which such meeting may continue consecutively.

➤ **Remuneration of KMP and Senior Management Personnel**

While determining the remuneration of Key Managerial Personnel and Senior Management, the following factors are analyzed by the Committee

- ✧ the performance and contributions of Key Managerial Personnel and Senior Management to the growth of the Company, Relative position in the organization and length of service
- ✧ Company's performance and past remuneration paid to KMP/Senior Management
- ✧ Industry standards and benchmarks- the trend prevalent in the similar industry, nature and size of business is kept in view and given due weight-age to arrive at a competitive quantum of remuneration.
- ✧ Limits prescribed by any Acts, rules or regulations

**7. POLICY REVIEW & DISCLOSURE :**

This Policy is framed based on the requirements of Companies Act, 2013 read with Rules made there under and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

In case of any subsequent changes in the Act/Rules/Regulations which makes any of the provisions in the Policy inconsistent with the Act/Rules/Regulations, the provisions of the Act/Rules/Regulations would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with law.

The Nomination and Remuneration Committee shall review the Policy, from time to time, as and when any changes are to be incorporated in the Policy due to change in Act/Rules/Regulations or as may be felt appropriate by the Committee to ensure the effectiveness of the Policy. The Committee will discuss any revisions that may be required, and recommend any such revisions to the Board of Directors for their consideration and approval.

This Policy shall be disclosed on the website of the Company after it is duly approved by the Board of Directors at their meeting.

**8. POLICY SEVERABLE:**

This Policy constitutes the entire document in relation to its subject matter. In the event that any term, condition or provision of this Policy being held to be a violation of any applicable law, statute or regulation, the same shall be severable from the rest of this Policy and shall be of no force and effect, and this Policy shall remain in full force and effect as if such term, condition or provision had not originally been contained in this Policy.

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