GLOBAL FINANCE & SECURITIES LIMITED
CIN: L65991WB1994PLC061723
Regd. Office: 17, Ganesh Chandra Avenue, 5th Floor, Kolkata – 700 013 Email: gfsl1994@gmail.com

NOMINATION AND REMUNERATION POLICY

1. INTRODUCTION:

Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement, as amended from time to time.

This policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

This policy shall act as guidelines on matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel and Senior Management.

2. OBJECTIVE:

The objective of the policy is to ensure that

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- 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.

3. DEFINITIONS:

a) "Act" means The Companies Act, 2013 and rules made thereunder, as amended from time to time.

b) "Board" means Board of Directors of the Company.

c) "Company means Global Finance & Securities Limited.

d) "Committee" means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.

e) "Director" means Directors of the Company.

f) "Independent Director" means a Director referred to in Section 149(6) of The Companies Act, 2013 and rules.

g) "Key Managerial Personnel" (KMP) means –

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- Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- Chief Financial Officer;
- Company Secretary; and
- Such other officer as may be prescribed

h) "Senior Management Personnel" means personnel of the Company comprising of all members of management one level below executive directors including the functional heads. The designation and categories of such Personnel will be determined by the Company based on the functional and reporting structure.

4. ROLE OFNOMINATION AND REMUNERATION COMMITTEE:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board.
- 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 this policy.
- To carry out evaluation of Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key Executives and overseeing.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

5. MEETINGS:

The meeting of the Committee shall be held at regular intervals as deemed fit and appropriate. The Company Secretary of the Company shall act as the Secretary of the Committee. The Nomination and Remuneration Committee shall setup a mechanism to carry out its functions, any /all of its powers to any of the Executive / Whole-time Directors and/or Senior M&SS of the Company, as deemed necessary for proper and expeditious execution. The Chairman of the Committee or in his absence any other member of the Committee authorized by him on his behalf shall attend general meetings of the Company.

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6. COMMITTEE MEMBERS INTEREST:

A member of the Committee is not entitled to participate in the discussions when his/her own remuneration is discussed at a meeting or when his/ her performance is being evaluated. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

7. APPOINTMENT OF DIRECTOR, KMP, SENIOR MANAGEMENT PERSONNEL:

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

The Committee will ensure that the person should possess adequate qualification, expertise and experience for the position. The Committee will have discretion to decide whether these qualities are sufficient for the concerned position.

The appointment of Independent Directors will be subject to the Act read with the Schedule IV and rules made hereunder.

The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding his position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification of such extension.

The Committee may also identify and recommend to the Board who may be appointed in senior management in accordance with the criteria laid down.

Criteria for determination of positive attributes, independence and qualifications of Directors

While nominating and recommending any person as Director, the Committee members may keep in mind the following criteria:

- Assessing the appointee against a range of criteria including, but not limited to, qualifications, skill, diverse industry experience, background and other qualities relevant to the business of the Company and required to operate successfully in the position;
- The extent to which the appointee is likely to contribute to the overall effectiveness of the Board, work constructively with the existing Directors and enhance the efficiencies of the Company;
- The nature of existing positions held by the appointee including directorships or other relationships and the impact they may have on the appointee's ability to exercise independent judgment;
- Ability to participate actively in deliberation and group processes;

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- Act impartially keeping in mind the interest of the Company on priority basis;
- Personal specification like educational qualification, experience of management in a diverse organization, Interpersonal, communication and representational skills, leadership skills, strategic thinking and facilitation skills, commitment to high standards of ethics, personal integrity;
- While evaluating the candidature of a Director, the Committee will abide by the criteria for determining Independence as stipulated under the Act, Listing agreement and other provisions of applicable law.
- The Committee will take a broad perspective with respect to Independence and takes into consideration not only the dealings, transactions, relationships with the concerned Individual Director but also with relatives, entities and organizations affiliated to it.

Criteria for appointment of Senior Management Personnel

The following attributes may be taken into consideration for selecting suitable candidates for appointment as Senior Management Personnel:

I. Qualification, skills, industry experience, background and other qualities as may be required to operate successfully in the position.
II. Ability to contribute towards effectiveness of the organization as a whole.
III. Ability of the appointee to represent the Company.
IV. Ability to work individually as well as part of team of Senior Management
V. Influential communicator with power to convince other in a positive way.
VI. Have strategic thinking and facilitation skills.
VII. Personal specifications:
   - Educational qualification;
   - Experience of management in a diverse organization;
   - Interpersonal, communication and representational skills;
   - Leadership skills;
   - Commitment to high standards of ethics, personal integrity and probity;

8. REMOVAL AND RETIREMENT:

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 Companies Act, 2013, rules and regulations made thereunder and the policy of the Company.

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The Director shall retire as per the applicable provisions of the act. The retirement of KMP (other than directors) and senior management personnel will be determined as per policy of the company.

9. POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL:

I. Remuneration to Managing Director / Whole-time Directors:

a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

II. Remuneration to Non- Executive / Independent Directors:

a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013)shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.

d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:

i) The Services are rendered by such Director in his capacity as the professional; and

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ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

c) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Directors (other than Independent Directors).

III. Remuneration to Key Managerial Personnel and Senior Management:

a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013and in accordance with the Company's Policy.

b) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.

c) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

10. POLICY ON BOARD DIVERSITY:

The Board of Directors shall comprise of Directors having expertise in different areas/ fields like Finance, Sales, and Banking or as may be considered appropriate The Board shall have atleast one Board member who has accounting or related financial management expertise and atleast one Woman Director.

11. REVIEW AND AMENDMENT:

The Policy may be reviewed by the Nomination and Remuneration Committee on need basis. The Board of Directors on its own and/ or as per recommendations of Nomination and Remuneration Committee can amend this policy, as deemed fit from time to time.

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