

JM FINANCIAL CAPITAL LIMITED

***POLICY ON SELECTION AND
APPOINTMENT OF DIRECTORS***

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Objective:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 (hereinafter referred to as “the Act”), the Nomination and Remuneration Committee of a company is required formulate the criteria for determining the qualifications, positive attributes and independence of a director proposed to be appointed as an independent director on the board of the company.

This Policy records the criteria for selection and appointment of Directors on the Board of Company.

Scope:

This Policy is applicable to selection and appointment of directors on the Board of the Company.

Criteria for selection of Directors:

The Nomination and Remuneration Committee (hereinafter referred to as “the Committee”) of the Board of the Company may keep the following few criteria in mind while assessing the suitability of an individual as a director on the Board of the Company:

- Demonstrated independence, integrity, high personal and professional ethics;
- Ability and willingness to commit sufficient time to the responsibilities as Board member;
- Understanding of the Company’s/Group’s business and related industry;
- Skills/expertise/competence required in relation to the business of the Company/Group companies and sector(s) for effective functioning;
- General understanding of marketing, finance, and other disciplines relevant to the business of the Company/Group;
- Educational and professional background – professional qualification and/or experience of having run a business at senior management and decision making level;
- Ability to assess the conflicts of interest, if any;
- Age giving sufficient experience as well as length of service available;
- Personal accomplishments and ability to influence policies.

The above are the broad parameters for assessing the candidate. The Committee may apply additional or different criteria as it may deem fit.

Appointment of Directors:

The appointment of a director shall be made in accordance with the applicable provisions of the Companies Act, 2013, as amended from time to time.

The Company may appoint or re-appoint any person as the Managing Director and/or Whole-time Director for a term not exceeding five years at a time. Further, they shall not be re-appointed earlier than one year before the expiry of their term.

An Independent Director can hold office for a term up to five consecutive years on the Board of the Company and he is eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director can hold office for more than two consecutive terms of five years each, but such Independent Director is eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

No person shall be considered for appointment as a Director of the Company, if he/she exceeds the maximum number of directorships as prescribed under applicable laws.

The Committee shall assist the Board in ensuring Board nomination process with the diversity of gender, thought, experience, knowledge and perspective in the Board.

Persons to be considered for appointment as directors are selected by the Nomination and Remuneration Committee in accordance with the Policy and principles above and under the Act before recommending the name(s) to the Board of Directors.

Policy Review:

This Policy shall be reviewed by the Committee to ensure compliance with any changes in the provisions of the Act or as may be prescribed by the Committee/Board. Any changes or modification to the Policy as recommended by the Committee would be placed before the Board of Directors for their approval.

In case of any amendments in the provisions of the Act, which makes any of the provisions in the Policy inconsistent with the Act, then the provisions of the Act would prevail over the Policy and the Policy shall stand amended effective from date of such amendments, as notified from time to time.