



**Futuristic
Solutions Limited**

CIN : L74899DL1983PLC016586

NOMINATION & REMUNERATION POLICY

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(Pursuant to Section 178 of the Companies Act, 2013 and Part D of schedule II (1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015) (Hereinafter called as "LODR")

1. INTRODUCTION

In terms of Section 178 of the Companies Act, 2013 and LODR, as amended from time to time, this policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP), and Senior Management and other employees of the Company has been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors.

This policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel and Senior Management employees of the Company.

2. OBJECTIVE OF THE POLICY

The policy is framed with the objective(s):-

- (i) 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.
- (ii) That the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- (iii) That the remuneration to Directors, Key Managerial Personnel (KMP), and senior management employees of the Company 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.
- (iv) To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-executive) and persons who may be appointed in Senior Management, Key Managerial positions and to determine their remuneration.
- (v) To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the industry.
- (vi) To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel;
- (vii) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage; and
- (viii) To lay down criteria for appointment, removal of directors, Key Managerial Personnel and Senior Management Personnel and evaluation of their performance.

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In the context of the aforesaid criteria the following policy has been formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors.

3. DEFINITIONS

In this Policy unless the context otherwise requires:-

- (i) 'Act' means Companies Act, 2013 and rules thereunder.
- (ii) 'Board of Directors' or 'Board', in relation to the Company, means the collective body of the directors of the Company.
- (iii) 'Committee' means Nomination and Remuneration Committee of the Company as constituted ~~or~~ reconstituted by the Board.
- (iv) 'Company' means "Futuristic Solutions Limited"
- (v) 'Directors' means Directors of the Company
- (vi) 'Independent Director' means a director referred to in Section 149 (6) of the Companies Act, 2013.
- (vii) 'Whole-time Director' includes Managing Director and Executive Directors of the Company
- (viii) 'Key Managerial Personnel' (KMP) means:
 - a. Chief Executive Officer and / or Managing Director
 - b. Whole-time Director
 - c. Chief Financial Officer
 - d. Company Secretary
 - e. Such other officer as may be prescribed
- (ix) 'Ministry' means the Ministry of Corporate Affairs
- (x) 'Regulations' refers to and comprise of Companies Act, 2013, the Companies (Meeting of Board and its Powers) Rules, 2014, the Companies (Appointment and Qualification of Directors) Rules, 2014, the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014, LODR and such other rules and provisions as applicable to the matters dealt in by this Policy.
- (xi) 'Senior Management Personnel' for this purpose shall mean employees of the Company who are members of its core management team excluding Board of Directors. It would comprise all members of management one level below the executive director(s), including the functional / vertical heads. Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

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4. NOMINATION AND REMUNERATION COMMITTEE

(a) GUIDING PRINCIPLES FOR CONSTITUTION OF NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee will consist of three or more non-executive directors, out of which at least one-half shall be independent director(s), provided that chairperson of the Company may be appointed as a member of this Committee. The Committee will meet at such intervals as deemed fit to carry out the objectives set out in the Policy. A quorum of two members is required to be present for the proceedings to take place. The Committee members may attend the meeting physically. The Committee shall have the authority to call upon such employee(s), senior official(s) and / or externals, as it deems fit to be present at its meetings. The Company Secretary shall act as Secretary to the Committee.

(b) COMMITTEE MEMBERS The Nomination and Remuneration Committee comprises of the following Director:

Name	Category	Designation
Mr. Shalabh Ahuja	Independent Director	Chairman
Maj. Gen (Retd.) Charanjit Singh Panag	Independent Director	Member
Mrs. Sangeeta Sandhu	Non-Executive Independent Director	Member

5. FUNCTIONS OF THE NOMINATION & REMUNERATION COMMITTEE

- (a) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees
- (b) formulation of criteria for evaluation of performance of independent directors and the board
- (c) Devising a policy on Board diversity
- (d) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal
- (e) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

The Chairman of the nomination and remuneration committee could be present at the Annual General Meeting, to answer the shareholders' queries. However, it would be up to the Chairman to decide who should answer the queries.

Provided that Nomination and Remuneration Committee shall set up mechanism to carry out its functions and is further authorized to delegate any / all of its powers to any of the Directors and / or officers of the Company, as deemed necessary for proper and expeditious execution.

6. APPLICABILITY

This Policy is applicable to:

- (a) Directors viz. Executive, Non-executive and Independent
- (b) Key Managerial Personnel under the Companies Act, 2013
- (c) Senior Management Personnel including CEO & CFO of wholly owned subsidiaries in India & overseas.

7. CRITERIA FOR DETERMINING THE FOLLOWING

Qualifications for appointment of Directors (including Independent Directors):-


- Persons of eminence, standing and knowledge with significant achievements in business, professions and/or public service.
- Their financial or business literacy / skills.
- Appropriate other qualification / experience to meet the objectives of the Company.

The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate/s.

Positive attributes of Directors (including Independent Directors):-

- Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively, and the willingness to address issues proactively.
- Actively update their knowledge and skills with the latest developments
- Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities.
- To assist in bringing independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.
- 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.
- To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees.
- Independent Directors to meet the requirements of the Companies Act, 2013 read with the Rules made there under and LODR Regulations.

CRITERIA FOR APPOINTMENT OF KMP/SENIOR MANAGEMENT:-


- To possess the required qualifications, experience, skills and expertise to effectively discharge their duties and responsibilities.
 - To practice and encourage professionalism and transparent working environment.
 - To build teams and carry the team members along for achieving the goals/objectives and corporate mission.
 - To adhere strictly to code of conduct.
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POLICY RELATING TO REMUNERATION OF DIRECTORS, KMP AND SENIOR MANAGEMENT PERSONNEL

- To ensure that the level and components of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMP and other employees of the quality required to run the Company successfully.
- None of the director s/ KMPs/ other employees is involved in deciding his or her own remuneration.
- The trend prevalent in the similar industry, nature and size of business is kept in view and given due weightage to arrive at a competitive quantum of remuneration.
- It is to be ensured that relationship of remuneration to the performance is clear and meets appropriate performance benchmarks which are unambiguously laid down and communicated.
- Remuneration packages should strike a balance between fixed and incentive pay, where applicable, reflecting short and long term performance objectives appropriate to the Company's working and goals.
- Following criteria are also to be considered:
 - Responsibilities and duties;
 - Time and efforts devoted;
 - Value addition;
 - Profitability of the Company and growth of its business
 - Analyzing each and every position and skills for fixing the remuneration yardstick;
 - Standards for certain functions where there is a scarcity of qualified resources.
 - Ensuring tax efficient remuneration structures.
 - Ensuring that remuneration structure is simple and that the cost to the Company (CTC) is not shown inflated and the effective take home remuneration is not low.
 - Other criteria as may be applicable.
- Consistent application of remuneration parameters across the organization.
- No sitting fees provided to any director (including independent director).
- Provisions of law with regard making payment of remuneration, as may be applicable, are complied with.
- Whenever, there is any deviation from the Policy, the justification / reasons should also be indicated / disclosed adequately.

8. EVALUATION

The performance evaluation of independent directors shall be done by the entire Board of Directors (excluding the director being evaluated) at regular interval (yearly).



9. **REVIEW**

The policy shall be reviewed by the Nomination and Remuneration Committee and the Board, from time to time as may be necessary.

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