

CORAL INDIA FINANCE & HOUSING LIMITED

Nomination and Remuneration Policy

The Board of Directors of CORAL INDIA FINNACE & HOUSING LIMITED (“the Company”) Re-constituted the “Nomination and Remuneration Committee” at the Meeting held on August 11, 2014, consisting of two (2) Non-Executive Independent Directors & one (1) Non-Executive Director.

1. OBJECTIVE

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 under the Listing Agreement.

The Key Objectives of the Committee would be:

THE NOMINATION AND REMUNERATION COMMITTEE IS EMPOWERED, PURSUANT TO ITS TERMS OF REFERENCE, *INTER ALIA*, TO:

1. Identify persons who are qualified to become Directors and persons who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
2. Carry on the evaluation of every Director's performance;
3. Formulate criteria for determining qualifications, positive attributes and independence of a Director;
4. Recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
5. Formulate criteria for evaluation of Independent Directors and the Board;
6. Devise a policy on Board Diversity; and
7. Undertake any other matters as the Board may decide from time to time.

In accordance with Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board of Directors at their meeting held on 11th August 2014 formulated the Nomination and Remuneration Policy of the Company on the recommendations of the Nomination and Remuneration Committee.

2. DEFINITIONS

- i) **Act** means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- ii) **Board** means Board of Directors of the Company.
- iii) **Directors** mean Directors of the Company.
- iv) **Key Managerial Personnel** means
 - Chief Executive Officer or the Managing Director or the Manager;
 - Whole-time director;
 - Chief Financial Officer;
 - Company Secretary; and
 - such other officer as may be prescribed.

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

3. NOMINATION AND REMUNERATION POLICY OF THE COMPANY:

In accordance with the Nomination and Remuneration Policy, the Nomination and Remuneration Committee has, *inter alia*, the following responsibilities:

1. Formulate the criteria for appointment as a Director: The Committee shall formulate criteria, and review them on an ongoing basis, for determining qualifications, skills, expertise, qualities, positive attributes required to be a Director of the Company.
2. Identify persons who are qualified to be Directors: The Committee shall identify persons who are qualified to become Directors and who satisfy the criteria laid down. The process of identification shall include ascertaining, meeting, screening and reviewing

candidates for appointment as Directors, whether Independent, Non-Executive or Executive.

3. Nominate candidates for Directorships subject to the approval of Board: The Committee recommends to the Board the appointment of potential candidates as Non-Executive Director or Independent Director or Executive Director, as the case may be.
4. Approve the candidates required for senior management positions: The Committee shall lay down criteria including qualifications, skills, expertise and qualities required for senior management positions like Managing Director, CFO and Company Secretary and members of the Executive Council of the Company.
5. Evaluate the performance of the Board: The Committee shall determine a process for evaluating the performance of every Director, Committees of the Board and the Board. The Committee may seek the support and guidance of external experts and agencies for this purpose.
6. Evaluate the performance of the Managing Director and determine the Executive compensation: The Committee shall evaluate the performance of the Managing Director by setting his Key Performance Objectives at the beginning of each financial year. The Committee shall also approve his/her/their compensation package(s) in accordance with applicable laws, in line with the Company's objectives, shareholders' interests, comparable with industry standards and which shall have an adequate balance between fixed and variable component.
7. Review performance and compensation of senior management: The Committee shall review the performance of the senior management of the Company. The Committee shall ensure that the remuneration to the Key Managerial Persons 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.
8. Recommend to the Board, commission to the Non-Executive Directors: The Committee shall recommend the commission payable to the Non-Executive Directors, including Independent Directors, to the Board of Directors of the Company after considering their contribution to the decision making at meetings of the Board/Committees, participation and time spent as well as providing strategic inputs and supporting the highest level of corporate governance and Board effectiveness. It shall be within the overall limits fixed by the shareholders of the Company.