

COUNTRY CLUB HOSPITALITY & HOLIDAYS LIMITED

NOMINATION AND REMUNERATION POLICY:

1. Objective:

The **Nominating and Remuneration Committee** (the “**Committee**”) is a committee of the Board of Directors (the “**Board**”) of **COUNTRY CLUB HOSPITALITY & HOLIDAYS LIMITED** (“**CCHHL**”). The Constitution of the Committee and this policy shall be in compliance with Section 178 of the Companies Act, 2013 (the “**Act**”) read along with the applicable rules thereto and SEBI (Listing And Obligation Disclosure Regulation) 2015 (“**SEBI(LODR)**”).

The Key Objectives of the Committee would be:

- i. to ensure that the CCHHL’s Nomination and Remuneration philosophy and programs support the achievement of its business strategy and overall corporate goals and objectives;
- ii. to ensure 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;
- iii. to ensure the relationship of remuneration of performance is clear and meets appropriate performance benchmarks;
- iv. to ensure the remuneration to directors 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 goal;
- v. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- vi. To recommend to the Board on Remuneration payable to the Directors and Senior Management.
- vii. To provide to directors and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company’s operations.
- viii. To devise a policy on Board diversity.
- ix. To develop a succession plan for the Board and to regularly review the plan;

2. **DEFINITIONS:**

1. “**Act**” means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
2. “**Board**” means Board of Directors of the Company.
3. “**Directors**” mean Directors of the Company.
4. “**Senior Management**” means Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors. It comprises of all members of the management who are one level below the Executive Directors and include the Functional Heads.

3. **Reporting:**

The Committee shall report to the Board.

4. **Composition of Committee:**

- i. The Composition of this Committee shall always be in consistent with the applicable provisions of the Companies Act, 2013 and the relevant Rules made thereunder and the provisions of the SEBI(LODR) 2015.
- ii. At the request of the Committee, certain members of CCHHL’s senior management and others may attend Committee meetings on an ad hoc or a regular basis.

5. **Appointment of Committee Members:**

- i. Committee members shall be appointed from time to time by the Board, and may be removed or replaced at any time by the Board and shall, in any event, cease to be a director.
- ii. The Committee shall consist of a minimum three (3) non-executive directors, majority of them being independent.
- iii. Minimum two (2) members shall constitute a quorum for the Committee meeting.
- iv. Membership of the Committee shall be disclosed in the Annual Report.

6. Vacancies:

Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board.

7. Committee Chairperson:

- i. Chairperson of the Committee shall be an Independent Director.
- ii. Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- iii. In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- iv. Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

8. Secretary:

The Company Secretary of the Company shall act as a Secretary of the Committee and who shall keep minutes of the meetings of the Committee.

9. Committee Meetings:

- i. The meeting of the Committee shall be held at such regular intervals as may be required. A meeting may be called by the Board Chairman or any member of the Committee.
- ii. Committee meetings may be held in person or through video conferencing or other audio visual means or by a combination of any of the foregoing.

10. Notice of Meeting:

- i. Notice of the date, time and place of each meeting may be given in writing, or by facsimile, or by electronic means to each member of the Committee at least seven days prior to the time fixed for such meeting.
- ii. A member may in any manner waive notice of the meeting. Attendance of a member at a meeting shall constitute waiver of notice of the meeting except where a member attends

a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting was not lawfully called.

11. Quorum:

The quorum for a meeting of the Committee shall be one-third of its total strength or two directors, whichever is higher and participation of the members of the Committee by video conferencing or by other audio visual means or by a combination thereof shall also be counted for the purposes of the quorum.

12. Attendance at Meetings:

- i. The Managing Director is expected to be available to attend meetings or portions thereof.
- ii. The Committee may, by specific invitation, have other resource persons in attendance.
- iii. The Committee shall have the right to determine who shall and who shall not be present at any time during a meeting of the Committee.
- iv. Directors, who are not members of the Committee, may attend Committee meetings, on an ad hoc basis, upon prior consultation and approval by the Committee Chair or by a majority of the Committee.

13. Voting:

1. Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
2. In the case of equality of votes, the Chairman of the meeting shall have a casting vote

14. Minutes:

Minutes of Committee meetings shall be sent to all the members of the Committee. The Board of Directors shall take note of the Minutes of each Committee meeting in its succeeding Board meeting.

15. ROLE OF COMMITTEE:

I. Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee:

The Committee shall:

- a. Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- b. Identify persons who are qualified to become Director and Senior Management positions in accordance with the criteria laid down in this policy.
- c. Recommend to the Board, appointment and removal of Director, and Senior Management Personnel.
- d. Be available as a forum for addressing the concerns of individual Directors.
- e. From time to time, consider, develop, recommend and bring forward to the Board of Directors, any corporate governance issues or principles for review, discussion or action by the Board or a Committee thereof.
- f. Provide orientation and an education program for new Board and Committee members and for the continued development of existing members of the Board.
- g. review industry and regulatory developments and emerging compensation governance principles to ensure the Company's executive remuneration program, human resources, pension and retirement plans and programs remain aligned with the Company's business strategy, corporate goals and objectives, compensation philosophy and recognized best practices.
- h. Develop and maintain a list of potential candidates.

II. Guiding principles for appointment and removal of Director and Senior Management:

A. Appointment criteria and qualifications:

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director or at Senior Management level and recommend to the Board his / her appointment.
- b) A person 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 are sufficient / satisfactory for the concerned position.

B. Term / Tenure:

a. Managing Director, Executive / Whole-time Directors:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b. Independent Directors:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be 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 shall hold office for more than two consecutive terms, but such Independent Director shall be 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.

- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted as per the provisions of Companies Act, 2013 and SEBI (LODR) 2015

C. Evaluation:

The Committee shall carry out evaluation of performance of every Director and Senior Management Personnel at regular interval (yearly).

D. Removal:

With reference to the reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

E. Retirement:

The Director and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, Senior Management Personnel in the same position or otherwise even after attaining the retirement age, for the benefit of the Company.

III. Policy relating to the Remuneration for the Directors and Senior Management Personnel

A. General:

- a. The remuneration / compensation / commission etc. to the Managing Director, Executive / Whole-time Director and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever it required.
- b. The remuneration and commission to be paid to the Managing Director and Executive / Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the provisions of the Act.

B. Remuneration to Managing Director, Whole-time / Executive Directors:

The elements of the remuneration and limits are pursuant to the provisions of Sections 178, 197 and Schedule V of the Act.

C. Remuneration to Non- Executive / Independent Director:

a. Remuneration / Commission:

The remuneration / commission shall be commensurate to the performance of the business of the Company and subject to the conditions mentioned in the Companies Act, 2013.

b. Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed One Lakh Rupees per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time

D. Remuneration to Senior Management Personnel excluding Managing Director and Executive / Whole-time Directors:

- i. The remuneration for the Senior Management Personnel excluding Managing Director and Executive / Whole-time Directors and staff at CCHHL would be guided by the external competitiveness and internal parity through annual benchmarking surveys.
- ii. Internally, performance ratings of all CCHHL Employees would be spread across a normal distribution curve. The rating obtained by an employee will be used as an input to determine Merit Pay increases. Merit pay increases will be calculated using a combination of individual performance and organizational performance. Grade wise differentiation in the fixed pay as well as in increment percentage must be made.

16. NOMINATION DUTIES:

The duties of the Committee in relation to nomination functions include:

1. to ensure that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
2. Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
3. to ensure appointment process of Independent Directors shall independent of the Company management;

4. while recommending the Independent Directors appointment to the Board the Committee shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively;
5. Identifying and recommending Directors who are to be put forward for retirement by rotation.
6. Determining the appropriate size, diversity and composition of the Board;
7. Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provisions of the law and their service contract;
8. Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
9. Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
10. to ensure that on appointment to the Board, Independent Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
11. Consider the competencies and skills of each new nominee and whether or not each new nominee can devote sufficient time and resources to his or her duties as a Board member.
12. Oversee the evaluation of, assess and consider the effectiveness of the Board as a whole, the Committees of the Board and the contribution of individual members on a periodic basis.
13. Generally discuss with the Chairman and Managing Director before making recommendations to the Board, except where the Committee deems it inappropriate or not in CCHHL's best interests to do so.
14. Delegating any of its powers to one or more of its members of the Committee;
15. Recommend any necessary changes to the Board; and
16. Considering any other matters, as may be requested by the Board.

18. Guidelines for determining qualifications, positive attributes and independence of a Director:

- i. Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively, and the willingness to address issues proactively.
- ii. Actively update their knowledge and skills with the latest developments in the Company business activities and the industry as a whole, market conditions and applicable legal frameworks.
- iii. Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities
- iv. 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 and business ethics.
- v. Ability to develop a good working relationship with the fellow Board members and contribute to the Board's working relationship with the senior management of the Company.
- vi. To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders, employees and other stakeholders.
- vii. Independent Directors to meet the requirements of the Act read with the Rules made there under and SEBI (LODR) 2015 as amended from time to time
- viii. To practice and encourage professionalism and transparent working environment.
- ix. To adhere strictly to code of conduct
