



FORTCAPS HEALTHCARE LIMITED

NOMINATION AND REMUNERATION POLICY OF DIRECTORS, KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT PERSONNEL AND OTHER EMPLOYEES

Introduction

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel, Senior Management Personnel and employees of the company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 with the stock exchanges (as amended from time to time), this policy on Nomination and Remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management has been formulated by the Nomination and Remuneration Committee ("NRC") and approved by the Board of Directors of the Company

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 Regulation 19 under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. The objective of this policy is to lay down a framework in relation to remuneration of Directors, KMP, Senior Management Personnel and other employees.

The Key Objectives of the Committee would be:

To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.

Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.

To identify 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.

To determine whether to extend or continue the term of appointment of the Independent Directors on the Board on the basis of the report of performance evaluation of Independent Directors.

Formulation and specification of criteria for effective evaluation of Independent Directors, the Board of Directors and the Committees of the Board to be carried out either by the Board, by the Committee or by an independent external agency and review its implementation and compliance.

To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.

To recommend to the Board on Remuneration payable in whatever form to the Directors, Key Managerial Personnel and Senior Management in terms of the provisions of the Act



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and the applicable rules and regulations

To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.

To retain, promote and motive talent among Directors, KMP and Senior Management and to ensure their long term sustainability to create competitive advantage to run the company successfully;

To ensure relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

To ensure 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:

To develop a succession plan for the Board and to regularly review the plan.

To Implement and monitor policies and processes regarding principles of corporate governance.

To assist the Board in fulfilling responsibilities.

Criteria for Board Membership and Board diversity:

The Director must have relevant experience in Finance/ Law/ Management/ Sales/ Marketing/ Administration/ Research/ Corporate Governance/ Technical Operations/ Human Resources or other disciplines related to the Company's business.

The Director should possess the highest personal and professional ethics, integrity and values.

The Director shall not have any material interest with the Company or any of its officers, other than as a Director or shareholder of the Company. Wherever required the Director should disclose the nature of his interest, if there are reasons to believe there is or a likelihood of potential conflict of interest.

The Independent Director shall fulfill the criteria specified in Schedule IV & Section 149(7) of the Companies Act, 2013 and rules made thereunder and of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

In case of re-appointment of Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level and other criteria as may be mentioned in the Remuneration policy.



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Remuneration Policy

The Remuneration policy for the Directors, KMP, Senior Management Personnel and other employees is designed in a way to attract talented executives and remunerate them fairly and responsibly, this being a continuous ongoing exercise at each level in the organization.

The Remuneration Policy is generally based on industry benchmarks, the Company's performance vis-à-vis the industry, peer group comparison, factors like inflation rate in the country and performance of the employees. Remuneration comprises of fixed Component viz. salary, perquisites and allowances and a variable component based on the targets achieved

Directors

The Nomination and Remuneration Committee shall recommend to the Board, the remuneration, including commission if any based on the net profits of the Company for the Executive Directors and Non-Executive Directors (if any) within the maximum limits as set under the Companies Act, 2013, and Rules made thereunder and subject to the approval of the shareholders as and when applicable, to reinforce the principles of collective responsibility of the Board.

The Company pays remuneration by way of salary, perquisites, stock options, and allowances (fixed component) and commission (variable component) to its Whole time Director other than the promoter Directors. A proper balance between fixed and variable component is aimed at.

Salary is paid within the limits recommended by the Nomination & Remuneration Committee and Board and approved by the shareholders within the stipulated limits of the Companies Act, 2013 and the Rules made thereunder. The remuneration paid to Executive Directors is determined keeping in view the industry benchmark and the relative performance of the Company to the industry performance. A comparison with the peer group if required is also considered for evaluation.

Perquisites and retirement benefits are paid according to the Company policy, and applicable laws and regulations as applicable to all employees.

Independent Non-Executive Directors are appointed for their professional expertise and skills in their individual capacity as independent professionals. Independent Non-Executive Directors are presently receiving sitting fees (including reimbursement of expenses for attending meetings) for attending the meeting of the Board and Board Committees, shall not be eligible for future ESOS schemes if any of the Company.

The sitting fee paid to the Independent Non-Executive directors is determined periodically and reviewed based on the industry benchmarks.



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Other Key Managerial Personnel, Senior Management Personnel and Other Employees

The remuneration of other KMP and other employees including Senior Management Personnel largely consists of basic salary, perquisites, stock options, allowances and performance incentives (wherever paid). Perquisites and retirement benefits are paid according to the Company policy.

They are also entitled to customary non-monetary benefits such as company car and company health care, telephone and accommodation as may be decided by the Management.

The components of the total remuneration vary for different grades and are governed by the industry pattern, qualification and experience / merits, performance of each employee. The Company while deciding the remuneration package takes into consideration current employment scenario and remuneration package of the industry and its peer group.

The annual variable pay of the Whole time Director(s) and Senior Management Personnel if paid as recommended by the NRC will be linked to the performance of the Company in general and their individual performance for the relevant year measured against Company's objectives fixed at the beginning of the year.

The appointment and remuneration payable to the Directors and the Key Managerial Personnel shall be as per the applicable provisions of the Companies Act, 2013 and the Rules made thereunder.

The Chairman & Managing Director shall approve the Remuneration payable to the Key Managerial Personnel (KMP) (other than the CMD & Whole time Director, if any) from time to time on the criteria and parameters as mentioned in this NRC policy. The increments payable to the KMP (other than CMD and Whole time Director, if any) as decided by the CMD, may be noted at the ensuing NRC Meeting following the approval of/revision in the remuneration of the KMP's.

Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular intervals Company in terms of Section 178 of the Companies Act, 2013 and the Listing Regulations.

Removal

Due to reasons of any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, 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 said Act, rules and regulations.



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Retirement

The Director, KMP 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, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age.

Necessary disclosures of this policy shall be made in the Annual Report of the Company in terms of Section 178 of the Companies Act, 2013 and the Listing Regulations.

This policy shall remain in force unless modified by the Board of Directors.

This policy has been approved and adopted by the Board of Directors.