



**MORE RETAIL LIMITED**  
**(FORMERLY KNOWN AS ADITYA BIRLA RETAIL LIMITED)**

**NOMINATION AND REMUNERATION POLICY**  
*(Including Board Diversity)*

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**NOMINATION AND REMUNERATION POLICY**

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**1. PURPOSE**

The primary function of the Nomination and Remuneration Committee is to assist the Board of Directors in fulfilling its governance and supervisory responsibilities relating to human resource management and compensation.

The Nomination and Remuneration Committee (“the Committee” or “NRC”) is constituted by the Board of Directors (“Board”) of More Retail Limited (“Company”) to oversee the Company's nomination process for the top level management and specifically to identify, screen and review individuals qualified to serve as executive directors, nonexecutive directors and independent directors. The Role of the Committee is to:

- a) formulate and recommend to the Board, the Company’s policy relating to the remuneration of the directors, key managerial personnel and other employees;
- b) evaluate the performance of the members of the Board;
- c) set criteria for determining the qualifications, positive attributes and independence of current and proposed directors.

**2. MEMBERSHIP & ORGANISATION**

The Committee shall consist of such number of members as may be prescribed under the relevant provisions of the Companies Act, 2013 and any other applicable provisions of applicable laws, as may be amended from time to time as may be applicable from time to time. The appointment and removal of the members of the Committee shall be in sole and complete discretion of the Board of Directors of the Company. [Section 178(1)]

a) Chairmanship\*:

The Chairperson of the Company may serve as a member of the Committee but shall not chair the Committee.

(\*Amended with effect from 28<sup>th</sup> March, 2019.)

b) Voting:

Matters arising for determination at Meetings of the Committee shall be decided by a majority of votes cast by the Members present. The act of a majority of the Committee members present at any meeting at which a quorum is present will be the act of the Committee.

In case of an equality of votes, the Chairman shall have a second or casting vote.

**3. MEETINGS**

a) Quorum:

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A majority of the Committee members will constitute a quorum. Participation of the directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum.

b) Frequency:

The Committee will meet at least once during each financial year or more frequently as it may deem necessary to carry out its responsibilities. If the need arises, meetings may be held telephonically/ through video conferencing to address issues in case of exigencies. The Committee may also act by unanimous written consent. Meetings of the Committee may be called by the Chairman or a majority of the members of the Committee.

c) Secretary:

The Company Secretary of the Company shall act as secretary for the meetings of the Committee.

d) Minutes:

Proceedings of all meetings shall be minuted by the Company Secretary and signed by the Chairman of Committee. For the Committee meetings held through video/ audio means without management being present, minutes will be recorded and maintained by the Chairman or his/her designate.

The Committee will regularly report to the Board regarding its actions and make recommendations to the Board as appropriate.

**4. ACCOUNTABILITIES & RESPONSIBILITES**

**a) Board of Directors**

i) Identification & Nomination & Board Diversity [S. 178(2&3)]

The Company recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance.

In designing the Board's composition, Board diversity shall be considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.

The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

ii) Remuneration Policy [Section 178(4)]

The Committee while deciding the remuneration of the Directors takes into consideration the nature of responsibility of the position, employment scenario, remuneration package of

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the managerial talent of other comparable companies, longer interests of the Company and its shareholders and such other factors as it deems appropriate.

a. For Chairman / Managing Director / other Executive Directors

The remuneration paid to the Chairman/Managing Director and Executive Directors of the Company is approved by the Board of Directors on the recommendations of the Nomination and Remuneration Committee.

The Remuneration of the Chairman/Managing Director and Executive Directors consists of a fixed component and commission based on the net profits of each financial year. The Commission amount is linked to the Net Profit of each year (Net Profit as per Companies Act, 2013). The increase in fixed salary is recommended by the Nomination and Remuneration Committee based on the general industry practice and the increase given to other managers in the Company.

b. For Non-Executive Directors

Non-Executive Directors of the Company's Board of Directors add substantial value to the Company through their contribution to the Management of the Company. In addition they also play an appropriate control role. For best utilizing the Non-Executive Directors, the Company has constituted certain Committees of the Board.

The Non-Executive directors are paid the following:-

Sr. No.	Particulars	Policy
1.	Commission	On the basis of Company's Performance and at a rate not exceeding 1% per annum of the profits of the Company.
2.	Sitting Fees for Board and Committee Meetings	Amounts as approved by the Board from time to time and within the limits prescribed under the Companies Act, 2013.

iii) Evaluation Process [Section 178(2)]

The Committee shall annually evaluate the performance of the Board and conduct an assessment of the performance of the Board, the Independent directors, each Board committee against criteria as determined and approved by the Committee. The performance evaluation of Independent Directors shall be done by the entire Board of Directors, on the basis of recommendations of the Committee (excluding the director being evaluated).

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**b) Key Managerial Personnel and other Senior Managers<sup>1</sup>**

i) Identification & Nomination [Section 178(2)]

The Committee shall identify the persons who may be appointed in senior management, taking into consideration qualifications, experience, positive attributes, skills and competencies and such other factors as it deems appropriate. The Committee shall recommend to the Board the appointment and removal of Senior Management persons of the Company.

ii) Training & Development

The Committee shall be responsible to maintain a framework for talent/competency development strategy for KMPs and Employees at Senior Management level of the Company.

iii) Evaluation Process

The Committee shall review and approve the evaluation of performance process/s of Key Managerial Personnel of the Company.

iv) Terminations and Severances

The Committee shall also review terminations/ replacements/ severance of employments of Key Managerial Personnel and Employees at Senior Management level.

**5. ROLE OF THE COMMITTEE**

The Committee shall undertake the specific duties and responsibilities listed above and have the authority to undertake such other specific duties as the Board prescribes from time-to-time.

While discharging its responsibilities, the Committee will have the resources and authority to obtain advice and assistance from internal resources and external advisors or professionals (including compensation consultants) as it deems appropriate.

The Company will provide for appropriate funding, as determined by the Committee for payment of reasonable compensation to any advisers retained by the Committee.

The Committee shall perform such other duties and responsibilities as are consistent with the purpose of the Committee and as the Board or the Committee shall deem appropriate or are required by applicable regulation.

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<sup>1</sup> "Senior Managers" means members of the Company's core management team as determined from time to time by the Committee, excluding Board of Directors, and comprising at least all members of management one level below the executive directors, including the functional heads.

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**6. REVIEW AND AMENDMENTS**

- i. The Committee may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this Policy, if it thinks necessary.
- ii. The Committee shall re-assess and review the adequacy of this charter annually and propose and recommend changes to the Board for approval as and when necessary.
- iii. This Policy may be amended or substituted by the Board as and when required specifically where there are any statutory amendments necessitating the change in the policy.