

Avanti Finance Private Limited

Nomination and Remuneration Committee Charter

Adopted on : March 13, 2023

CHARTER OF THE NOMINATION AND REMUNERATION COMMITTEE OF AVANTI FINANCE PRIVATE LIMITED

A. Purpose

The purpose of the Nomination and Remuneration Committee (the "**Committee**") of the Board of Directors (the "**Board**") of Avanti Finance Private Limited or **Avanti** or **Company** shall be to:

1. Assist the Board in discharging its responsibilities relating to compensation of the Company's Directors, Key Managerial Personnel (KMP) and Senior Management
2. Provide recommendations for equity based plans/ schemes approved by the shareholders
3. Review individuals qualified to serve as Directors, KMP and Senior Management and make appropriate recommendations

The purpose and scope of the committee shall include such other items as may be prescribed by applicable law or by the Board in compliance with applicable law from time to time.

B. Membership and Organisation

The Company shall constitute the Committee through the Board. The Committee will be appointed by the Board and will serve at its discretion. The Committee shall consist of no fewer than three directors, all of whom shall be non-executive directors and at least two- thirds of whom shall be independent directors.

The members of the Committee shall meet the

- (i) Independence requirements of the listing standards of Indian Stock Exchanges in India and the applicable provisions of the Securities Exchange Act of 1934, as amended (the "Exchange Act")
- (ii) non-employee director definition of Rule 16b-3 promulgated under Section 16 of the Exchange Act
- (iii) the outside director definition of Section 162(m) of the Internal Revenue Code of 1986, as amended
- (iv) the requirements of the Indian Companies Act, 2013 and
- (v) the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

The members of the Committee will be appointed by the Board and may be removed by the Board in its discretion. The Board shall designate a member of the Committee as the Chairperson, provided that such

- (i) Chairperson shall be an independent director
- (ii) The Chairperson of the Board, (whether executive or non- executive) shall



not chair the Committee but can be a member of the Committee

- (iii) The Chairperson of the Committee, or in his/her absence, any other member of the committee authorized by the Chairperson of the committee, shall attend general meetings of the Company

C. Quorum for meetings:

Either two members or one third of the members of the committee, whichever is greater with the presence of at least one independent director shall form the quorum for the meeting of the Committee.

D. Scope of Responsibilities

The Committee has the authority to undertake the specific actions listed below and will have the authority to undertake such other specific activities as the Board prescribes from time-to- time.

a) Compensation Policies

- To review the corporate goals and objectives applicable to Chief Executive Officer, Key Management Personnel and Senior Management performance in light of those goals and objectives, and make relevant recommendations for their (a) annual base salary, (b) annual incentive bonus, including the specific goals and amount, (c) equity compensation, (d) employment agreement, severance arrangements, and change in control agreements / provisions, and (e) any other benefits, compensation or arrangements, based on their review;
- To make recommendations to the Board with respect to incentive compensation plans. The committee may review the Company's incentive compensation arrangements to determine whether they encourage excessive risk-taking, review and discuss at least annually the relationship between risk management policies and practices and compensation and review compensation policies and practices that could mitigate any such risk;
- Further, the committee may review compensation plans to ensure that the cost/income ratio of the Company supports the compensation package consistent with maintenance of sound capital adequacy ratio

b) Nomination of directors

- To perform a consultative role for any appointment requiring Board approval, as stipulated by law or regulation. The Committee provides its recommendations to the Board.

c) Evaluation of Board and KMP performance

- To assist the Board to conduct annual evaluation of performance of the board, board committees, chair of the board, chair of the committees, board members and KMPs

d) Equity based compensation plans

- Review the roll-out of Company's Stock incentive plans drawn up from time to time by the Board of Directors, shareholders and within the terms and conditions of the said Plans.

e) Specific powers

- The Committee may authorize studies of matters within the Committee's scope of responsibility with full access to all books, records, facilities and personnel of the Company.

f) Advisors

- The Committee, in consultation with the Senior Management of the company, can identify and approve services of any compensation consultant to be used to assist in the evaluation of compensation for the CEO, Executive Directors, KMP and Senior Management. The Committee can obtain advice and assistance from internal or external legal, accounting or other advisors.

g) Meetings and Reports

- The Committee shall meet at least once a year at such times and places as it deems necessary to fulfil its responsibilities.
- The Committee is governed by the rules regarding meetings (including meetings in person or by telephone or other similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as mandated by applicable laws.
- The Committee shall prepare such reports as may be required by any law, rule or regulation to which the Company is subject.
- The Committee may invite such members of management to its meetings as it deems appropriate. However, the committee shall meet regularly without such members present, and the CEO and any other such officers shall not be present at meetings at which their compensation or performance is discussed or determined.

h) Compensation

- Members of the Committee shall receive such fees, if any, for their services as Committee members as may be determined by the Board.